

limit, the account holder or Authorized Signer so removed. The account holder making such request to Bank shall immediately notify all other, including the removed, account holders and Authorized Signers. Your liability with regard to an account continues notwithstanding that the account has been closed. Further, your liability continues with regard to any claim accruing, items written or transactions initiated prior to the time you are removed as an account holder or Authorized Signer; any remaining account holder(s) or Authorized Signer not so removed shall continue to be liable for all transactions prior to and after such removal.

You acknowledge that the Bank may, but need not, require a new *Master Account Agreement* to be completed before any change in ownership (vesting) or Authorized Signers becomes effective and each time you open a new account, and may require Taxpayer Identification Number Certification(s). You also acknowledge that we may require you to close your account in the event of any change of ownership or a change in the Authorized Signers.

If you change the Authorized Signers on your account, we may, at our option, still permit withdrawals and accept instructions given earlier by any previously Authorized Signers until we receive specific notice from you in writing not to do so and have had an opportunity to change our records. A new or updated *Master Account Agreement* by itself does not constitute notice.

Accounts Presumed Abandoned

State and federal law and Bank policy govern when deposit accounts (including, without limit, accounts within a retirement plan), are considered "inactive," "dormant" or "abandoned." Generally, in instances where you have not communicated with the bank, and/or you have not increased or decreased the balance in your account for an extended period of time, as provided in applicable law or regulation, your account is deemed "abandoned." Bank charges or interest payments are not considered activity affecting the balance in your account. For certain purposes automated transactions (for example, automated distributions from your retirement account or automated transfers between your accounts) may not be considered activity for this purpose, even if your balance changes.

Unless prohibited by law, if we consider your account inactive, we may hold all statements and terminate any Permanent Interest Order or other automated distribution instructions, and/or discontinue payment of interest, but fees and charges will continue to apply except where otherwise legally prohibited. Unless prohibited by applicable law, the cost of any advertisement, payment and delivery to the state comptroller or other applicable agency of any dormant account will be assessed to such account. This is in addition to any fees that may be assessed for dormant accounts, except where prohibited by law.

In accordance with applicable law, the Bank will remit those "abandoned" funds to the applicable state and have no further liability to you for such funds. This may not be the state to which your account is assigned for our record keeping, product, pricing and for other Bank purposes. Bank may not remit the funds if there has been sufficient activity on any other Washington Mutual account owned by you, depending on applicable state law. The Bank may, at its option, attempt to contact you prior to remittance of funds to the applicable state and will attempt to do so if required by applicable law. Bank may assess a fee for sending you notice unless prohibited by law. Once remitted, you must apply to the appropriate state agency to reclaim your funds.

Without limiting the above ownership restrictions, for or any account relationship in which the beneficial or legal owner of the funds on deposit is not a signer on the account (e.g. preneed funeral accounts,

custodial accounts, guardianship accounts, Representative Payee and the like), such owner and signer hereby appoint the other as his/her/its agent. The agency established under this section is solely for the purpose of taking reasonable action to prevent the account from being escheated under state law. Each beneficial/legal owner and signer of the account hereby represents and warrants to the Bank that he/she/it has received any required authorization from each beneficial/legal owner/signer to act as agent as set forth above.

Address Confirmation Authorization

You authorize us, but we are not obligated, to obtain information about your current address from any organization offering such service, including, without limit the California Department of Motor Vehicles or Texas Department of Public Safety. For California residents, you waive your rights under California Vehicle Code Section 1808.21. For Texas residents, you waive your rights under Texas Transportation Code Section 521.052.

Adjustments

We may make adjustments to your account from time to time which reflect corrections or changes to your balance. Adjustments might occur, for example, if deposits are posted for the wrong amount, or to the wrong account, posting is delayed or if items are returned unpaid. In the event of an error which has caused an overstated balance, you agree to immediately reimburse the Bank for the overstated amount.

Amendment/Termination

Without limiting anything else to the contrary herein, we may terminate this agreement in whole or in part and/or close your account, card or service hereunder for any reason except as may be prohibited by law at any time without prior notice, except as may be required by law. These reasons may include, but are not limited to, account abuse (for example, due to fraudulent activity or excessive overdraft) and in such case, an Account Abuse Fee may be assessed as set forth in the *Statement of Fees* applicable to your account.

If we terminate your account, we may hold any funds in or subsequently received in your account until we are reasonably satisfied no checks or other deposits made to such account will be returned unpaid or any other claim may be made against us with respect to such account and during the time such hold is in place, we may terminate your deposit, withdrawal or other activity on such account, except as maybe limited by law. If we terminate your account, we may, at our option, hold the balance for your pick up, deposit the balance in another account that any of you have with us or mail the balance to any of you by check at your most recent address in our records for the account. Thereafter, the funds will stop earning interest (unless deposited by us in another of your interest bearing accounts with us) even if the check (if applicable) is returned or remains uncashed for any reason.

We may, but are not required to, allow you to leave on deposit sufficient funds to cover outstanding items to be paid from your account. If we do, or we determine to close the account but have not yet done so as set forth above, the terms and conditions of this Agreement continue, until the final disbursement is made from the account except as we may otherwise advise. If we do not allow you to leave funds on deposit, we will not be liable for any losses or damage that may result from dishonoring any items that are presented or otherwise received after your account is closed.

If we or you terminate an account of a type that we no longer offer and we agree to allow you to open a new account, you must select a new account of a type we currently offer and for which you are eligible. If your account is one for which you are not eligible (e.g. interest bearing checking account for a business corporation or account we offer only to

consumers but you use it for business purposes, or otherwise), we may close or convert your account to another account for which you qualify. If your account reaches a zero or negative balance, we reserve the right to, immediately or anytime thereafter as long as it remains with a zero or negative balance and without notice, except as may be required by law, consider your account closed. This agreement will continue to govern matters relating to your account which arose before termination or which may arise later.

Authorized Signers

Authorized Signers are distinct from "owners". Owners are accountholders who may be individuals or, if an entity, may be, for example, a partnership, a limited liability company, corporation or an association. Authorized Signers are those authorized, on behalf of the owner, for example, to:

- (1) write any check and/or execute any other written, telephonic, oral or computer-originated authorization or instructions to debit or transfer funds from any authorized deposit account;
- (2) withdraw funds from any deposit account authorized;
- (3) endorse and deposit any negotiable item payable to the owner and/or
- (4) authorize disclosure of account information to third parties.

We may, at our option, permit encashment of any negotiable item payable to the owner at the request of an Authorized Signer. The Bank has no obligation to determine that funds or proceeds of any item payable to the owner are applied to a specific deposit account or for the benefit of the owner. Endorsement made by a rubber stamp or facsimile signature will bind the owner.

Without limiting any other rights we may have, we may pay checks drawn on the account by any Authorized Signer, owner, or other agent acting alone, even if the check(s) are made payable to the person writing the check, to cash (although at our discretion, we may decide not to pay a check payable to cash), to the Bank, or to credit a personal account of such Authorized Signer, owner, or agent. We may do so without investigating or questioning the check.

Unless otherwise indicated, any Authorized Signer can give us and we, at our option, may accept verbal instructions to open additional accounts in the same owner's name, but the signature requirements and statement mailing address must be the same. Unless you contact us to make corrections or further changes within thirty (30) calendar days from the date of the first statement containing the corrections or evidencing the new account, or such information is otherwise made available to you (e.g., via online banking service) we will assume that all changes or new accounts are authorized by the owner and such will be deemed so authorized.

Balance Calculation/Definitions

We calculate the balance in your account differently for different purposes:

Available Balance. Your Available Balance is the balance at any time that is available for withdrawal in accordance with our Funds Availability Policy. Funds may also be considered not available for withdrawal for a variety of reasons including, without limit, being subject to a hold, legal process, or pledge as security for a loan, or we have received notice that a transaction will be presented against these funds. This balance may be different than your Collected and Ledger Balances.

In some circumstances when a transfer between your Washington Mutual accounts has been successfully processed, such will be reflected in the Available Balances for the accounts. Notwithstanding

the above, if the transfer is made after our Transfer Cutoff Time for immediate transfers (that is, a transfer not scheduled to occur at a later time or date) on a Business Day, the transferred funds may not be considered part of the Available Balance for certain purposes, including for purposes of processing certain transactions, until the morning of the next calendar day, or longer time in accordance with Funds Availability Policy for External Transfers (including transfers from internal accounts designated as External Accounts for this purpose), below. This means that such funds may not be available for paying or authorizing certain transactions including, without limit, check clearings or point of sale or point of purchase authorizations.

To ensure funds you transfer on a Business Day are available for your transactions, you must submit them prior to the Transfer Cutoff Time on a Business Day. You may call us at one of the numbers shown at the end of these *Account Disclosures and Regulations* for our current Transfer Cutoff Time, which may change, from time to time, without notice.

Collected Balance. Your Collected Balance is the balance in your account including deposits which we are deemed to have collected in accordance with the *Balance Calculation/Determining Collected Balance* section below. It excludes the amount of your deposits which are not deemed to be collected, according to that section. This balance may be different than your Available Balance and Ledger Balance.

Ledger Balance (sometimes referred to as "Current Balance"). Your Ledger Balance is the balance at the time of the inquiry, which includes all deposits we deem received. The "Daily Ending Balance" is the Ledger Balance after nightly processing at the end of each Business Day, including deposits, which we deemed to have received that Business Day. This amount is affected by our cutoff times for receipt of deposits. This balance does not take into consideration whether these funds are available under our Funds Availability Policy or otherwise, nor whether they are deemed collected in accordance with the *Balance Calculation/Determining Collected Balance* section below. This balance may be different than your Available and Collected Balances.

Balance Calculation/Determining Collected Balance

This section describes the method for determining the Collected Balance of your account. Your Collected Balance is the balance on which interest will be paid and, if applicable, the balance used to determine whether you meet the applicable minimum balance requirements for waiver of the monthly service fee and the fee for use of the funds which are not deemed collected in accordance with our Check Collection Experience Factor, as set forth below, regardless of whether such funds are considered available in accordance with our Funds Availability Policy.

The Check Collection Experience Factor applies from the Business Day we are deemed to have received your deposit. (See the *Date and Time of Transaction* section of these *Account Disclosures and Regulations* for our Business Days). Deposits of cash (made at a branch), internal transfers and wire transfers to any account and non-cash deposits to a CD, *School Savings*® account, or a deposit account in a Washington Mutual Retirement or CESA plan are deemed collected and, therefore included in your Collected Balance, on the Business Day posted to your account. External transfers to your account from External Accounts (including internal accounts designated as External Accounts for purpose of the transfer) initiated by you through our online banking service to eligible accounts will be included in your Collected Balance no later than the effective date of the transfer. Funds otherwise electronically transferred to your account (such as direct deposits) are deemed collected and therefore included in your Collected Balance on the effective date of the transfer to your

Non-cash deposits to accounts (other than CDs, School Savings[®] account, or a deposit account within a Washington Mutual Retirement or CESA plan) are deemed collected (and therefore included in your Collected Balance) when we are deemed to receive credit for such items. We are deemed to receive credit based on our experience for all items sent for collection or payment. If collection is delayed beyond the Check Collection Experience Factor, we may adjust your deemed Collected Balance and interest accruals and assess fees not previously assessed, if applicable to your account.

Your Collected Balance will be used for purposes of determining applicable interest tiers and will begin to accrue interest when deemed collected as set forth above. If you withdraw funds that are not deemed collected, you may be assessed fees and/or charges, if applicable to your account.

Branch/Financial Center/Financial Store

The terms "branch", "financial center" and "financial stores" are used interchangeably. Accounts and services may be available only at certain locations; additionally, the interest rates, fees and charges for accounts and services may vary based on the state or pricing region in which the financial center to which your account is assigned in our records is located or, if services, at the financial center at which the service is requested or the manner in which your account is established (e.g., in person, or by mail, telephone or Internet). Generally, your account is assigned to the financial center at which you open your account if opened in person. Your account opening documents may identify the state or other pricing region to which your account has been assigned. If you are uncertain to which financial center your account is assigned in our records, contact us at one of the numbers shown at the end of these *Account Disclosures and Regulations*.

If you move to another state in which we (the bank holding your account) have financial centers or otherwise wish to change your financial center of assignment, you may request and we, at our option, may agree to change your financial center of assignment and the state or other pricing region to which your account is assigned. Such change will not automatically occur when you change your address in our records.

Cash Vouchers and Cash Dispensing Machines

At some of our financial centers, certain tellers do not have access to cash for processing withdrawals or other cash back transactions. If you complete a transaction with one of these tellers, you will receive a voucher for any cash payable to you. Your account records, however, will reflect a debit for the amount of the voucher. Your cash will be dispensed to you at the cash dispensing machine at that same financial center at which you conducted the related transaction. Your use of the access number to receive the cash is a separate non-account based transaction.

The voucher will include an access number. This number is used on the keypad or scanner at the cash dispensing machine. You must use the access number within the time frame noted on the voucher (or by the financial center closing time on the calendar day you conduct the transaction, if earlier). If you do not receive your cash related to a voucher within that time frame noted, the access number will expire. If you return your original voucher to us, a new access number will be issued if such request is made before the financial center closes that calendar day and the voucher has not been used. If the voucher is not redeemed by the time we close the financial center on the calendar day it is issued, an official check will be issued in the amount due

under the voucher, the official check may, at our option, be held at the financial center for your pick up, deposited to any of your accounts with us (immediately or at a later time, without interest) or mailed to you at the address of record for the account related to the transaction for which the voucher was issued.

You must safeguard this voucher as you would cash. If you lose the voucher, tell us immediately so we may invalidate the voucher. If the voucher has not been redeemed, it is the same calendar day as the voucher was issued and we have not closed the financial center for the day, the voucher will be reissued. If we determine that the voucher has been redeemed, whether by you or a third party, at our option, the voucher may not be replaced and you may not be reimbursed. The voucher is not transferable or negotiable.

At some of our Financial Centers, we may offer electronic processes to expedite your deposit and withdrawal transaction(s) with the teller or other representative, including use of an electronic pad to identify you and your account, and to confirm the transaction in place of paper tickets. These transactions are teller-initiated transactions and are not considered electronic funds transfers. By initiating deposits and withdrawals at these financial centers, you agree to the electronic processing and record of the transaction in place of a paper record.

Changes to Your Account Type

If you have an account with us and choose to change from one account type to another, we may, at our option, require you to close your existing account and open a new account with a new account number or change the product features to the new account type and maintain the existing account number. If we allow or require you to maintain the same account number, previous activity on your prior account will apply to the new account, unless we, at our option, decide otherwise. This means, for example, that if you are required to maintain a minimum balance or average balance to avoid a monthly fee on the new account, the balance for the entire statement cycle, including the balance prior to the change to the new account type, will apply in the balance calculation. If the new account is a Limited Transaction Account, we may count transactions that posted to the account prior to the change and you may be assessed excess activity fees based on activity occurring prior to the change. If you are assessed Overdraft Charges or Non-Sufficient Funds Charges based on the number of NSF Transactions during a prior period (e.g., the prior 12 months), we may consider NSF transaction activity prior to the date of the change in determining whether and the amount of charges to be assessed.

Collections

In our discretion, we can help you collect bond coupons, checks, or drafts in U.S. or foreign currency or other items which we determine, at our discretion, are not suitable for automated collection procedures. If we do, we accept these items "for collection", which means we will send the check, draft or item directly to the issuer's bank for payment. When we receive payment, we will credit your account. If the item is lost, stolen, or destroyed in the collection process, we will not credit your account for the item nor will we otherwise be liable for the item. If the collection item is returned to us unpaid, we will return the item to you (as soon as we receive it).

Checks or drafts accepted, received or sent by the Bank from or to another financial institution to be processed for collection, whether or not paid, will be assessed a collection fee by the Bank, as set forth in the *Statement of Fees* applicable to your account, and may be assessed a collection and other fees and costs by the other financial institution. In the event you request special handling of a collection item, such as tracking or expedited delivery, you will also be charged

Conflicting Demands and Disputes

Nothing in these *Account Disclosures and Regulations* shall be deemed to require the Bank, and the Bank shall not be required to make payment from or provide services related to an account to a depositor, or to any trust or P.O.D. account beneficiary or payee, or any other person claiming an interest in any funds deposited in the account, if the Bank has actual knowledge (as defined in the *Account Ownership* section of these *Account Disclosures and Regulations*) of, or otherwise believes there may be, a dispute between the depositors, beneficiaries, payees, or other persons concerning the account including, without limit, their respective rights of ownership to or authority to act with respect to the funds contained in or proposed to be withdrawn or previously withdrawn from the account, or in the event the Bank is otherwise uncertain as to who is entitled to the funds pursuant to the contract of deposit, or otherwise receives instructions which Bank determines, in its discretion, to be unclear or conflicting.

In any such case, the Bank may, at its option and without liability, notify all depositors, beneficiaries, payees, or other persons claiming an interest in the account of either its uncertainty as to who is entitled to the distributions or the existence of any dispute, and may also, without notice and without liability, refuse to disburse any funds contained in the account to or on the instruction of any depositor and/or trust or P.O.D. account beneficiary or payee thereof, and/or other persons claiming an interest therein, return items presented against the account marked "Refer To Maker" or similar notation until such time as, at our option:

- (1) All such depositors, beneficiaries, payees and/or other persons claiming an interest in the account have consented, in writing or other form satisfactory to Bank, to the requested payment; or
- (2) The payment is authorized or directed by a court of proper jurisdiction; or
- (3) Where one of the parties to the account has notified the Bank of the dispute, that party withdraws the notice; or
- (4) Where the dispute involves a deceased accountholder, the successor of the deceased accountholder agrees in writing to the distribution (if permitted by state law); or
- (5) We receive proof satisfactory to us in our sole discretion that the dispute has been resolved, or other satisfactory documentation or assurances are received by us; or
- (6) Subject to the *Resolution of Disputes* section in these *Account Disclosures and Regulations*, request instructions from a court of competent jurisdiction, or arbitrator, or referee regarding distribution of the account.

We may also, at our discretion, request instructions from a court and/or interplead the funds in the account at your expense. However, the Bank may, at its option and without liability, pay or permit withdrawal of any funds on deposit in an account to a depositor and/or agent of a depositor and/or trust or P.O.D. account beneficiary or payee, and/or other person claiming an interest therein, even when the Bank has actual knowledge of the existence of the dispute, if the payee shall execute to the Bank, in form and with security (in Idaho, "sureties") acceptable to it, which, except in Idaho, at Bank option may be a bond in an amount which is double either the amount of deposit or the adverse claim, whichever is less) an indemnification indemnifying the Bank from any and all liability, loss, damage, costs, and expenses, for and on account of the payment of the adverse claim or the dishonor of the check or other order of the person in whose name the deposit stands on the books of the Bank.

Credit Reporting Agencies/Reporting/Verification

By requesting to open an account with the Bank, or by agreeing to be a signer on an account or obtaining any other service from us, you (and, if acting in a representative capacity, individually and for such entity or principal) agree that we may obtain credit information from check or credit reporting agencies, and/or by any other means. We may do so at the time you open the account, request the service, at any time while your account is open, or the service is available, or after your account or service is closed if you owe us any amounts related to your account or service and may use such information for any purpose, in our discretion, except as prohibited by law, including, without limit, for review of your eligibility to obtain or retain an account or service requested by you or which we may, at our option, wish to consider offering you.

Without limiting anything else to the contrary herein, if you do not handle your account or service in a satisfactory manner and/or we charge off your account as a loss, or as otherwise permitted by law, we may report such negative information to check or credit reporting agencies.

Customer Responsibilities and Limit on Time to Assert Claims

You agree to exercise reasonable control over all bank checks, unissued checks, time or certificates of deposit, passbooks, cards (of any kind), personal and user identification numbers and codes and access devices and any other item, instrument or card related to any of the above. It is your responsibility to keep all of the above information and items safe and secure and to promptly discover and immediately report if any of them are, or believed to be at risk of becoming, missing or compromised in time to prevent misuse.

You agree to notify us immediately if any of these items may be lost, stolen or used without your authorization, or if you believe there is an error in your periodic statement or that an unauthorized transaction has occurred or may occur on your account or otherwise may be related to any of the above. In addition to any other liability you may have hereunder, and except as limited by applicable law, if you give your Personal Identification Number (PIN), User ID, and any other code or other access device to anyone, you will be liable for any use made of such until you advise us that such person is not authorized to use them. You acknowledge that your account, service or any of the above may have to be closed if any of these events occurs. In addition, you assume full responsibility for monitoring and reviewing the work of your employees, agents (including Authorized Signers) and accountants.

You are responsible for exercising reasonable promptness and care in examining your account statements and, if provided, originals or imaged copies of cancelled checks, advices of debit or credit, transaction reports, or your account activity through the internet if we provide you such access via online banking services, to determine whether any payment or debit was not authorized because of an alteration of an item or because a signature or endorsement on the item was unauthorized, or for any error, forgery, alteration, unauthorized transaction, including an unauthorized Payment Order, or other problem (collectively, a "Problem"). The parties agree that reasonable promptness means within fourteen (14) calendar days from the date that the statement, advice or transaction report or other information is sent or otherwise made available to you, whichever first occurs.

If you discover or should have discovered a Problem, you must promptly notify us in writing of the relevant facts, unless we are required by law to accept such oral notice. You should also report the

Problem to us orally by contacting your branch of account or the telephone number at the end of these *Account Disclosures and Regulations*. However, your oral report shall not relieve you of your obligation to report the Problem to us in writing, except where required by law. Your written report must identify the specific items, debits or credits that you are challenging and the nature of the Problem.

In addition, if your claim involves a series of items containing unauthorized signatures or alterations by the same wrongdoer, you shall be precluded from asserting against us any unauthorized signature or alteration by the same wrongdoer on any item paid in good faith that you do not report within fourteen (14) calendar days after the first item in the series or first statement containing that item was sent or made available to you, whichever first occurs. By these provisions, the parties intend to define a reasonable time period for the "Repeater Rule," as provided in §4-406(d) of the UCC.

Without regard to the care or lack of care of either you or us, without limiting the foregoing: (a) if you fail within thirty (30) calendar days after the statement or item is sent or made available to you, whichever occurs first, to discover and report with respect to an item (i) your unauthorized signature, (ii) any unauthorized or missing endorsement, or (iii) any alteration on an item, you shall be precluded from asserting against us the unauthorized signature, the unauthorized or missing endorsement or alteration on that item; (b) if you fail within thirty (30) calendar days after the statement or other advice of debit or execution of a wire transfer Payment Order is sent or made available to you, whichever occurs first, to discover and report an unauthorized Payment Order, you shall be precluded from asserting against us the unauthorized Payment Order; and (c) without limiting the foregoing, if you fail within thirty (30) calendar days after the statement or other advice, transaction report or other information revealing the Problem is sent or made available to you, whichever occurs first, to discover and report any Problem, you shall be precluded from asserting against us the Problem.

These absolute preclusions apply (a) to each item, unauthorized Payment Order or other Problem that you fail to report in writing within thirty (30) calendar days and (b) regardless of the legal theory you assert.

By these provisions, the parties intend to shorten the absolute statutory preclusion period for reporting unauthorized signatures, alterations and endorsements specified in §4-406(f) of the UCC (and even if not specified in §4-406(f)) and for reporting unauthorized Payment Orders specified in §4A-505 of the UCC and any other reporting period established by any other law or regulation except where shortening of such period is prohibited by law, and to establish a contractual condition precedent for reporting claims on Problems.

If we provide you with access to your account via the Internet through online banking services, or hold mail services, then for purposes of this section, account statements, items, advices, reports, and all other information will be deemed to be "made available" on the date the subject debit or credit is reflected online, or the date that the information is delivered to the hold mail area, whether or not you accessed your account through the internet or picked up your mail, respectively.

If we truncate your checks, or you subscribe to an electronic statement service, you understand that your original checks will not be returned to you with your statement. Unless otherwise required by law, we may not send you the original or copies of checks or other items representing debits or credits to your account. We may impose a charge for reproducing the original or copies of such items. Our retention of checks does not alter or waive your responsibility to examine your statements or change the time limits for notifying us of any Problems, as specified in this section.

If you do not timely receive any account statement or other information concerning your account that you expect to receive, or you cannot access your account through the internet, you shall notify us as soon as possible but in no event later than ten (10) calendar days after such information or access would ordinarily be received by or available to you. If you fail to advise us of these facts, the time for discovery and reporting shall not be affected by your failure to receive or access the subject information.

If the time periods for discovery and reporting contained in this section differ from the time periods for discovery and reporting contained in any other agreement between us, or by law, the shortest time period shall apply and govern the claim, except where such longer period is required by law.

Except for shorter periods provided under this Agreement or other agreement or by applicable law, any action or proceeding brought by you to enforce any obligation, duty, or right arising under or relating to this Agreement or otherwise relating to your account or services provided to you hereunder, must be commenced within one year after the event that gives rise to the cause of action occurs.

You agree to pursue all rights you may have under any insurance coverage you maintain before making a claim against us in connection with any account transaction, and to provide us with all reasonable information about your insurance coverage (such requirement does not extend the time limits set forth above). Our liability to you is reduced by the amount of any and all insurance proceeds you receive, or are entitled to receive.

In the event you do assert a claim against us regarding a Problem, you must cooperate with us and assist us in seeking criminal and civil penalties against the person responsible. You must file reports and complaints with appropriate law enforcement authorities. If we ask, you must also give us a statement, under oath, about the facts and circumstances relating to your claim and provide such other proof as we may reasonably request. If you do these things, and provide such security or indemnification as we may require, we may, at our option, replace any item in question. If you fail or refuse to do these things, we will consider your failure or refusal to be your acknowledgment of the defect in the statement, or item, unauthorized transaction or other Problem and your agreement that we can charge the full amount to your account and have no liability to you for the Problem, except as required by law.

You agree that we will have a reasonable time to investigate the circumstances surrounding your claim. During our investigation we will have no obligation to provisionally credit your account, except as may otherwise be required by law.

You agree to indemnify, defend and hold us harmless from any claims arising from your breach of these *Account Disclosures and Regulations* or any agreement with us or your act or omission.

Date and Time of Transaction

Our Business Days are Monday-Friday (except federal holidays). Except as otherwise set forth herein, or other agreement with us, we consider transactions in person with a bank representative at a Financial Center after 6:00 p.m. or applicable cutoff time, if any, for services requested at our location for processing such service or on a non-Business Day to occur the following Business Day. Cutoff times may vary based on branch of account and/or location where the transaction is processed and may change from time to time without notices, except where prohibited by law.

Refer to the *Electronic Fund Transfer Agreement and Disclosures* section of these *Account Disclosures and Regulations* or other documentation you received for information about our cutoff times applicable to services covered by that section.

Death or Adjudication of Incompetency

You agree to notify us immediately of the death or court-declared incompetency of any owner or Authorized Signer on your account. We may freeze, refuse, or reverse deposits and transactions and/or return governmental benefit payments made to the accountholder if an owner dies or if an owner is adjudicated incompetent. If you give us instructions regarding your account which are to be effective upon maturity of your account, and you or another owner of the account dies or is adjudicated incompetent prior to maturity, the instructions shall be ineffective provided we received written notice of death or incompetency prior to honoring such instructions.

Notwithstanding anything else to the contrary herein, until we receive a notice of death or incompetency, we may act with respect to any account or service as if all owners, signers or other persons are alive and competent; we will not be liable for any action or inaction taken on that basis. We may, at our option, require you to provide proof satisfactory to us of death or adjudication of incompetency, including, without limitation, certified copy of court or other official record.

Deposits

Subject to applicable account rules, deposits in current funds, within the limits hereinafter prescribed, may be received at any time, with our consent. All deposits received are subject to final collection or subsequent return. Credit for items, deposits received via fund transfer service (e.g., wire or automated clearinghouse) or otherwise deposited are provisional and subject to revocation if the item or transaction is not paid or for which payment is reversed for any reason. You agree that you will not deposit any item into your account which does not bear either a true original signature of the person on whose account the item is drawn, or an authorized mechanical reproduction of that person's signature, without our prior express written consent, which may be withheld at our discretion. If we do consent to deposit of such items, such consent may be withdrawn at any time without cause or prior notice.

Except as may be otherwise provided by law, we shall not be deemed to have received items sent by mail or placed in lobby depositories or night or any other type depository we operate until we have received actual delivery of items sent by mail at the address we designate for receipt of such item or have removed the contents from such depositories. Items sent by mail must be sent to the address noted for your account in the *Statements, Notices and Other Information* section of these *Account Disclosures and Regulations*. Until we remove items from the depositories, we are only responsible for loss of such items caused by our gross negligence or willful misconduct. Use of Bank's Night Depositories is intended primarily for deposits to business accounts during hours that we are not open for business. You agree not to make a deposit to any account that is not a business account through a Night Depository when the Financial Center is open for business because any such deposit may not be processed until the following Business Day as set forth in the *Funds Availability* section of these *Account Disclosures and Regulations*.

In our discretion, we may permit a first deposit and a minimum balance in an account in an amount that is lower than that otherwise required for such account.

The Bank may, in its discretion, refuse to open an account, receive a deposit, or accept a deposit on a collection basis, or may in our discretion at any time return all or any part of any deposits previously received or require the withdrawal of any interest paid to the account. We reserve the right to reverse credit for any deposited item lost in the clearing/collection process. Without limiting the foregoing, we may, at our option, refuse to process documentary drafts and other irregular (non-standard) items deposited into our account or sent to us for processing.

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If the depositors have elected to have joint accounts, each of the depositors authorizes the other as his attorney-in-fact to endorse any check or debit payable to the order of any one or more of the depositors and to cash or deposit the same and to open additional accounts and request additional products or services in the same ownership capacity. You also authorize us to accept or process items/transactions payable to any of you and to deposit such to your account from any source without questioning the authority of the person making the deposit, and to give cash back to you or any Authorized Signer(s) or designated agent on any check payable to any one or more of you, whether or not endorsed by you. If we receive a deposit or payment for you or your account which is not accompanied by an instruction satisfactory to us, in our discretion, indicating how or where it is to be credited, we may apply it at our discretion to any loan or deposit account any of you maintain with us and you will be responsible for any loss or expense related thereto.

You may request the Bank and the Bank may, at its option, agree to accept deposits through certain banking channels, including without limitation, messenger and armored car service, night and lobby depository services, and/or mail, whose amounts are not verified in your presence prior to deposit. These deposits shall be counted and credited to your account and our count and record of the amount presented for deposit shall be binding and conclusive upon you. Deposits may be credited in the amount shown on your deposit slip, but will be subject to adjustment to reflect the Bank's own count.

Disclosure of Information to Third Parties

Except where prohibited by law, we will disclose information to third parties about your account(s), service(s) or the transactions you make for any one or more of the following reasons:

- (1) where it is necessary or helpful for completing a transaction;
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- (3) in order to comply with reporting or other legal requirements (including, for example, legal process);
- (4) if you give us your permission;
- (5) to offer you additional products and services from us and others that we think might be of interest to you;
- (6) to otherwise conduct our business, and
- (7) as otherwise permitted or required by law.

WE MAY REPORT INFORMATION ABOUT YOUR ACCOUNTS TO CREDIT BUREAUS. LATE PAYMENTS, MISSED PAYMENTS OR OTHER DEFAULTS ON YOUR ACCOUNT MAY BE REFLECTED IN YOUR CREDIT REPORT.

You agree that we may provide any account record, including, without limitation, your personal information, such as information about you, your credit and transaction or your account, notices and records, to any other accountholder or signer on your account and to such person's heirs, successors, representatives, beneficiaries, and to any third party that may be authorized or deemed to be authorized by such person or signer to receive such information, if any. If this is a joint account you and each owner/signer of the account agree(s) that the other shall act as your agent in receiving any such information, including any notices required by law.

If you or another owner or Authorized Signer of your account(s) or service(s) link your account(s) or service(s) to another account(s) or service(s) on which another person(s) is an owner, Authorized Signer or authorized user or you authorize payment to or from your account by, from or to a third party, you are deemed to give permission for disclosure of information regarding your accounts and services including, without limit, transaction, balance and account number.

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information, to such other person, their other authorized representatives, or any other person who could lawfully obtain information about such person. This applies, for example, to the Platinum Checking or other relationship account, Overdraft Transfer Service, online banking service, Automatic Savings Plans, Combined Statements, automated payments to or from your account including, without limit, Permanent Interest Orders and a third party making a deposit to your account or performing another transaction on your account. You consent to the bank sharing your account or contact information with affiliates, and to affiliates sharing such information with us, for purposes of conducting investigations and loss recoveries.

Dishonored Checks (New York State Only)

If you present a check payable to the Bank which is subsequently dishonored by the bank on which it was drawn and you do not make payment after having been notified by us that the check has been dishonored, you may be sued under Section 11-104 of the General Obligations Law to recover payment. If a judgment is rendered against you in court, it may include not only the original face amount of the check, but also additional liquidated damages as follows:

- (1) If you had no account with the bank on which the check was drawn, an additional sum which may be equivalent to twice the face amount of the check or \$750, whichever is less; or,
- (2) If you had insufficient funds on deposit with the bank upon which the check was drawn, an additional sum which may be equivalent to twice the face amount of the check or \$400, whichever is less.

Criminal penalties may also apply.

Domestic Partnerships

Except where federal law otherwise provides, terms such as husband, wife, spouse, marriage, married, mother, father, parent, and similar terms shall be construed consistent with any applicable state law providing marital and parental rights and obligations with respect to domestic partners.

Electronic Imaging of Checks

Bank may, at its discretion, create electronic images of checks drawn on or deposited to your account and provide such Image Replacement Documents (IRDs) for all purposes in lieu of an original check. The Bank may also, at its discretion, accept, act upon and provide copies from IRDs received from other depository institutions, in lieu of an original check. The Bank may destroy any original check, which it electronically imaged. You may obtain a copy of an imaged check by calling us at the phone number noted on your statement or at the end of these *Account Disclosures and Regulations*.

Electronic Redeposit of Returned Checks

In addition to any other right to redeposit we may have, checks deposited to your account that are returned unpaid by another financial institution due to insufficient or uncollected funds may, at the discretion of the Bank, be redeposited electronically to attempt collection of the unpaid check. In addition, should a check you write be returned by the Bank for insufficient or uncollected funds, it may be redeposited electronically by the depositing financial institution. The transaction involving your check will appear in the electronic payments section of your bank statement. The transaction will be reflected as an electronic debit indicating the check number involved. The original check will be destroyed; however, a copy of the item can be made available to you by calling us at the phone number noted on your statement or at the end of these *Account Disclosures and Regulations*.

Endorsements

You agree to endorse each check on the top 1 1/2 inches at the end

(when viewed vertically from the trailing edge) of the check. If you endorse a check outside of that area, mark or otherwise obscure the other area or a prior endorsement or make an endorsement that is illegible or incomplete, we may, at our option, accept such non-conforming endorsement and you agree to hold us harmless from any loss, delay, liability, claim or damage which may arise as a result.

We may endorse and/or collect items deposited to your account without your endorsement but may, at our option, require your personal endorsement prior to accepting an item for deposit. If you deposit items which bear the endorsement of more than one person or persons who are not signers on the accounts, we may refuse the item or may require all endorsers to be present and to provide identification acceptable to us, in our discretion or to have their endorsement guaranteed before we accept an item.

If you provide an endorsement to or encode the amount on an item deposited to your account, such must adhere to any standards set by federal and state law and banking industry practice. Without limiting any other rights we may have, and notwithstanding anything to the contrary herein, you agree that we may, but are not required to, accept for deposit or collection to your account an item initially made payable to anyone other than you. If we do so, we may, at our option, require such other person to endorse the item in our presence, to provide identification acceptable to us, and for you to provide an endorsement guarantee acceptable to us.

Fees and Costs

The Bank may establish fees applicable to deposit accounts and related services, and such fees shall be set forth in the *Statement of Fees* applicable to your account or other documentation provided to you for the account or Bank service, and shall be incorporated by this reference into these *Account Disclosures and Regulations*. The Bank reserves the right to change its fees from time to time without notice, except as may be required by law.

If you request a service, including without limit, wire transfers and check collection, which are processed by or through or in conjunction with a third party, you agree to pay all fees/cost assessed by such third party on Bank in connection with such service or transaction. Such third party fees/cost may be debited from the proceeds of such transaction or any of your accounts with Bank, at our option.

Foreign Transactions

Transactions must be in U.S. Dollars. If you use an automated teller machine (ATM) or conduct a point-of-sale (POS) transaction, point of purchase (POP) or electronic fund transfer in a foreign country, or write a check in a foreign currency or send a Funds Transfer or other transaction in foreign currency, and we choose at our option to process the transaction, we will charge the transaction against your account at the foreign currency exchange rate imposed on us on the Business Day we receive the transaction, or, at our option, in a foreign currency exchange rate we determine in our discretion, which may be higher than the rate charged to us.

For card transactions processed through the VISA® system (including INTERLINK® and PLUS®), the exchange rate between the transaction currency (the currency for the location at which the transaction is processed) and US Currency is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government mandated rate in effect for the applicable central processing date. For card transactions processed through the MasterCard® system (including Cirrus® and Maestro®), the exchange rate between the transaction currency (the currency for the location at which the transaction is processed) and U.S. Currency is either a government-mandated rate in effect for the applicable processing

date, 0.9 cents selected by MasterCard® from the range of rates available in wholesale currency markets for the applicable processing date, increased by a percentage (currently 1%). This fee assessment is in addition to the Bank's International ATM fee that may apply.

If you receive a credit or deposit a check or electronic fund transfer, including without limit wire or ACH, to your account in foreign currency, we may, at our option, reject, accept or accept on a collection basis and, if accepted, credit your account at the foreign currency exchange rate imposed on us on the Business Day the credit or deposit is received by us. This exchange rate may be different from the exchange rate in effect on the day you made or accepted the debit, credit, or check transaction. If any such debit (including check) or credit is reversed for any reason, we will reverse the transaction at the foreign exchange rate imposed on us on the date of the reversal. You agree to pay any additional out-of-pocket charges assessed in connection with processing your request or reversal of any such request.

Gender, Singular and Plural

Any references in this agreement to gender include masculine, feminine, and neuter. Unless otherwise indicated by the context, any singular references include the plural and any plural references include the singular.

Identification and Taxpayer Identification Number Certification

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your legal name, street address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Without limiting the foregoing, in compliance with federal law or applicable Bank requirements, when you establish your account relationship with us or in connection with any transaction, you are required to provide us with information and documentation satisfactory to us in our discretion to identify yourself, other signers on the account and, if applicable, the organizational status of your business or organization. This may include, without limit, one or more forms of unexpired photo identification and fingerprints. U.S. citizens and resident aliens are required to provide us with, and certify, a Taxpayer Identification Number (TIN) and backup withholding status with the Internal Revenue Service. Individuals who are not U.S. citizens or residents and foreign entities must certify their foreign exempt status from time to time and, if requested by Bank, provide proof of foreign residency in a form deemed acceptable by the Bank in its sole discretion.

We may be required to file an information return with the IRS to report, for example, interest income paid to you and may so report whether or not we are required to do so. Refer to the *Taxpayer Information* section of these *Account Disclosures and Regulations* for more information.

When you want to process a transaction or make an inquiry with respect to an account, we may require you to present such identification as we may specify from time to time. Without limiting the foregoing, we may ask that you use an ATM Card, Debit Card and PIN assigned in our record to you as a means of identification, whether or not the account on which you are conducting your transaction or inquiry is linked to such card. If you use a touch pad to enter your name, other identification, account number or signature to confirm transaction with a bank employee, such use will not be

Inactive Accounts

Bank may assess a monthly Inactive Account Fee and any other fees applicable to such account on inactive and dormant accounts, except where prohibited by law. In the event such causes the balance to be reduced to zero, your account may be closed without notice or delay. Bank reserves the right to assess a fee to accounts for which there has been no monetary transactions (other than fees, interest or other Bank initiated activity), if and as set forth in the *Statement of Fees* applicable to your account. The time period of inactivity that must elapse prior to the fee being assessed is also set forth in the *Statement of Fees* applicable to such account.

Insurance of Accounts/Pass-Through Insurance

Two different financial institutions operate under the name "Washington Mutual"; they are 1) Washington Mutual Bank (WMB), at the time of publication also operating under the name Washington Mutual Bank, FA (WMBFA), with financial centers in AZ, CA, CO, CT, FL, GA, ID, IL, NJ, NV, NY, OR, TX, UT and WA and also operating under the name Provident National Bank, which operates branches in NH; and 2) Washington Mutual Bank fsb (WMB fsb), which operates financial centers in ID and UT. WMB and WMB fsb are related as they are direct or indirect subsidiaries of Washington Mutual, Inc., but they are not the same company.

Deposits of Washington Mutual Bank, Washington Mutual Bank, FA and Provident National Bank are combined for FDIC insurance purposes as they are one and the same company. For purposes of the \$100,000 limit on FDIC insurance coverage, deposits in WMB and WMB fsb are each insured separately and are not added together for FDIC insurance purposes.

Under federal law, whether an employee benefit plan deposit is entitled to per-participant (or "pass-through") deposit insurance coverage (excluding SEPs which are not subject to pass-through insurance coverage) is based, in part, upon the capital status of the insured institution at the time each deposit is made. Specifically, "pass-through" coverage is not provided if, at the time an employee benefit plan deposit is accepted by an FDIC insured bank or savings association, the institution may not accept brokered deposits under the applicable provisions of the Federal Deposit Insurance (FDI) Act. Whether an institution may accept brokered deposits depends, in turn, upon the institution's capital level. If an institution's capital category is either "well capitalized" or is "adequately capitalized" and the institution has received the necessary broker deposit waiver from the FDIC, then the institution may accept brokered deposits. If an institution is either "adequately capitalized" without a waiver from the FDIC or is in a capital category below "adequately capitalized", then the institution may not accept brokered deposits.

The FDI Act and FDIC regulations provide an exception from this general rule on the availability of "pass-through" insurance coverage for employee benefit plan deposits when, although an institution is not permitted to accept brokered deposits, the institution is "adequately capitalized" and the depositor receives a written statement from the institution indicating that such deposits are eligible for insurance coverage on a "pass-through" basis. The availability of "pass-through" insurance coverage for employee benefit plan deposits also is dependent upon the institution complying with FDIC's recordkeeping requirements.

The Bank's capital category currently is "well capitalized". Thus, in our best judgment, employee benefit plan deposits are currently eligible for "pass-through" insurance coverage under the applicable

federal law and FDIC insurance regulations.

Under the FDIC's insurance regulations on employee benefit plan deposits, an insured bank or savings association must notify an employee benefit plan depositor if new, rolled-over or renewed employee benefit plan deposits would be ineligible for "passthrough" insurance and must provide certain information on the institution's capital condition to employee benefit plan depositors who request such information. If you would like additional information on the Bank's capital condition, please write to the Compliance Servicing Department - 400 East Main Street, Stockton, CA 95290-0155.

Interbank and Interstate Transactions

You may request, and we may, at our option, agree to allow you, to initiate certain transactions and activities through or at a financial center of one of the other companies operating under the Washington Mutual name, or same company operating under a different name. Under certain circumstances, we may require that such be conducted by the assisting company as your agent. In such case:

- (1) you will be deemed to have authorized the assisting company to act as your agent for such purpose; (2) if that transaction is a deposit or withdrawal, the receipt you receive, if any, will indicate that the assisting company is acting as your agent, and/or
- (3) the transaction shall not be deemed to occur until a ledger entry has been made on the applicable records of the institution holding your deposit account. This does not create a general agency between Washington Mutual Bank and Washington Mutual Bank fsb. Without limiting the foregoing, neither company is appointed as agent for, and is not authorized to accept, service of process with regard to the other company. In addition to the above, and notwithstanding anything else to the contrary in the Agreement, if you request a transaction with respect to an account or service at a financial center in another state, even if a part of the same bank (WMB or WMBfsb, as the case may be), we may, at our option, refuse such service at that location and require you to request such at the financial center of record.

Interest Payments and Conditions

This section describes the interest calculation methods, payments, and conditions for deposits made to interest-bearing accounts. Unless stated otherwise with respect to your particular account, we may change the interest and APY for your account at anytime without notice or limit; while we may establish interest tiers, we reserve the right to set interest rates and APY for various tiers in any amount, including in the same amount as any other tier; there is no assurance that a rate and resulting annual percentage yield for one tier will be higher than that for a lower tier. We also reserve the right to set interest rates on a specific account or customer basis and such rate may be higher or lower than the generally disclosed rate.

Interest on any interest bearing account (except as set forth below) will accrue on the account daily on the balance deemed collected (determined as set forth in the *Balance Calculation/Determining Collected Balance* section of these *Account Disclosures and Regulations*); PROVIDED THAT, if such other deposit is made to any *School Savings®* Account, any CD, or a deposit account opened in connection with a Washington Mutual Retirement or CESA Plan, the deposit will begin earning interest on the Business Day the deposit is made. Checks cashed will not earn interest. Checks deposited with less cash will have interest calculated as disclosed above on the amount deposited to your account.

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Subject to the above, interest on interest-bearing accounts is calculated on the daily ending balance in the account up to, but not including, the date of withdrawal. Interest is not paid on funds withdrawn on the date of withdrawal. Except as set forth herein, accrued but uncredited interest is not available for withdrawal until paid to the account, except in the event of an account closure. For our convenience, we may process the interest payment on the last Business Day of the cycle, to be effective the last calendar day of the cycle. Any transaction between interest processing and the effective date may result in an interest adjustment. APY assumes interest remains on deposit. Withdrawals and fees reduce earnings.

Joint and Several Liability

Each account holder and/or signer on a multiple party account will be jointly and severally liable hereunder, including without limit, for any item(s)/transaction(s) presented for payment against the account or obligation secured by the account whether or not the account holder wrote the item(s), authorized the transaction or agreed to said obligation, and/or benefited from the proceeds of said item(s) or obligation and regardless of any pro-rata ownership interest of an account holder in the proceeds or the account.

Large Currency Transactions, OFAC and Other Laws

Accounts, transaction and services are governed by the laws and regulations administered by the Office of Foreign Assets Control (OFAC) and all other applicable federal, state and local laws and regulations. In addition to any other rights we may have, we may restrict your account(s) and refuse transactions and services when required to do so, or when we reasonably believe we are required to do so, by applicable federal, state and local law or regulation, including, without limit, laws and regulations administered by OFAC. You agree to use any service, accounts, checks, cards (of any kind), Personal Identification Numbers, user identification numbers, pass codes or other codes and access devices, and instruments related to any of the foregoing for lawful purposes only. Without limiting the foregoing, you agree that such may not be used for, or otherwise in connection with, any illegal transaction or activity.

Government regulations require us to report transactions occurring in the same Business Day that involve currency in excess of \$10,000 and certain other transactions to the Internal Revenue Service (IRS). We have this obligation for all currency transactions exceeding \$10,000 in the same Business Day whether conducted as a single transaction or as multiple transactions spread out in the same Business Day, or if two or more transactions that total more than \$10,000 occur on different days but are processed by us on the same Business Day. This can happen if you made a deposit or withdrawal after the cutoff time on one day, then make a second deposit or withdrawal the following day.

Legal Process

We may accept and comply with any writ of attachment, execution, garnishment, tax withhold order or other levy, restraining order, subpoena, warrant, injunction, government agency request for information or other legal process relating to your account which we believe (correctly or incorrectly) to be valid and binding regardless of the location of the Bank, account or method of service on the Bank, even if the law requires personal service at the branch of record or other specified location for your account or where the records are stored (but we reserve the right to require service at such location and by such method as may be required by law). We may, but are not required to, honor a legal process served at one location or in one state for funds, property or records held at another location or in another state. We may but are not required to, give you notice of any

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such legal process except as required by law and will not do so if prohibited by law.

A legal processing fee, hourly research fee, and copy charges may be assessed and charged to your account, unless prohibited by law. This fee is in addition to any fee collected from the party serving the legal process. In responding to a search warrant or other legal process from a city, county, state or federal law enforcement or other agency, the Bank may produce documents or provide access to property that are located in any Bank storage or other facility, including facilities owned and operated by third parties maintaining such records on behalf of the Bank, even if such facility is not designated as the place to be searched in the search warrant or legal process.

Our processing cutoff times with respect to any knowledge, notice, stop payment order, or legal process received by us involving a check under the applicable State's version of Uniform Commercial Code Section, is the later of 10:00 a.m. on a Business Day or one hour after we open for the Business Day following the Business Day on which we received the check.

If Bank is required to pay any attachment, garnishment, writ, levy or other legal process related to your account, Bank may debit your account even if such creates an overdraft or results in an early withdrawal penalty. If the Bank incurs any expenses, including without limit research, photocopy, handling and administrative costs and reasonable attorney's fees, in responding to an attachment, garnishment, levy or other legal process that is not otherwise reimbursed, we may charge, in addition to other amounts set forth herein, such expenses to your account without prior notice to you.

Upon receipt of legal process for which we reasonably believe a hold or payment is required from funds in your account, regardless of the amount required by such legal process, we may restrict access to the entire balance in such account until funds are remitted or the legal process is withdrawn.

Limit of Liability

You agree that the amount of any claim you have against us in connection with any account or banking transaction with us, whether brought as a warranty, negligence, wrongful dishonor or other action, is subject to reduction on the basis of:

- (1) your negligence or failure to use reasonable care on your part, or the part of any other owner or signer of the account, or any of your agents or any of your employees which contributed to the loss which is the basis of your claim;
- (2) the extent to which damages could not be avoided by our use of ordinary care, and
- (3) your failure to comply with your reporting requirements under this Agreement.

Any loss recovery you obtain from third parties will be applied first to our obligations to you. You agree to pursue all rights you may have under any insurance policy you maintain in connection with any loss and to provide us information regarding coverage. Our liability will be reduced by the amount of any insurance proceeds you receive or are entitled to receive in connection with the loss. If we reimburse you for the loss and such is covered by insurance, you agree to assign us your rights under the insurance to the extent of your reimbursement.

UNLESS PROHIBITED BY LAW, YOU FURTHER AGREE THAT OUR LIABILITY WITH RESPECT TO SUCH CLAIM WILL BE LIMITED TO THE FACE VALUE OF AN ITEM OR TRANSACTION IMPROPERLY DISHONORED OR PAID OR THE ACTUAL VALUE OF ANY DEPOSITS NOT PROPERLY CREDITED OR WITHDRAWALS NOT PROPERLY DEBITED, AND THAT NO LIABILITY FOR CONSEQUENTIAL, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES WILL EXIST OR CAN BE

ASSERTED BY YOU AGAINST US.

Unless prohibited by law, you agree to reimburse us for any liability, losses and expenses we may incur in connection with your account except to the extent they are caused by our fault. Unless prohibited by law, we will not be responsible for any loss to you caused by an event which is beyond our control, including but not limited to, natural disasters, wars, riots, strikes, computer failure, loss of power, communication or transportation facilities or caused by third parties, such as networks, fund transfer systems, clearinghouses, or other third party vendors.

You are responsible for the condition of a check or item when you issue or accept it. If a check or item is returned or payment delayed as a result of any writing or marking that the endorser or maker places on the front or back of the check or item, you will be responsible for any costs and liabilities associated with such return or delay.

Different liability rules apply to certain Electronic Fund Transfers subject to Regulation E. (Refer to the *Electronic Fund Transfer Agreement and Disclosures* section of these *Account Disclosures and Regulations*.)

Minors' and Incompetents' Accounts

A minor or incompetent may enter into a valid and enforceable contract of deposit with the Bank, and any account in the name of a minor or incompetent shall, in the absence of clear and convincing evidence of a different intention at the time it is created, be held for the exclusive right and benefit of the minor or incompetent free from the control of all other persons. The Bank may make payments of funds on deposit in an account established by a depositor who is a minor or incompetent without regard to whether it has actual knowledge of the minority or incompetency of the depositor unless the Bank has received written notice to withhold payment to the minor or incompetent by the guardian or conservator of the minor's or incompetent's estate and has had a reasonable opportunity to act upon the notice.

Notwithstanding the above, in the event a minor is a beneficiary of a payable on death (Totten Trust) account or Bank is otherwise requested to make payment of funds to a minor, Bank may, but is not required to, require an order of a court of competent jurisdiction or other assurance satisfactory to Bank, in its discretion before making payment.

Any adult person or a bank with trust powers may open a transfer to minors account as custodian for a minor under the provisions of the applicable Uniform Transfers (or Gifts) to Minors Act. Legal title to the money in such an account is indefeasibly vested in the minor. By opening, maintaining or obtaining any benefit from an account, if you are a minor or are or become incompetent, you agree that we may, but are not required to, release information about you or your account to any of your parents and/or guardians or conservators.

For any account opened in the name of a minor, whether individually or jointly, any adult person including but not limited to parents, guardians, and conservators, as a joint owner or person with knowledge of the account shall be liable to the Bank jointly and severally, and shall hold the Bank harmless for claims and liabilities arising from the transactions on the account, notwithstanding any defense based on a minor's capacity to contract.

Monthly and Quarterly Cycles

Monthly cycles commence on a date in one month and end approximately one month later. Quarterly cycles commence on a date in one quarter and end approximately three months later. Any monthly or quarterly charges (as applicable) shall be for the monthly or quarterly fee cycle (as applicable) and the minimum balance will be measured during such cycle unless otherwise indicated in the rules applicable to

your account. Such fee cycles correspond to your statement cycle period, unless you are advised otherwise. If your statement cycle is changed for any reason (e.g., at your request or at our option), your first statement cycle following such change may be shorter or longer than usual, and may result in fee calculations based on such period (e.g., an Excess Activity Fee or per item charge that you might not have incurred had your cycle not changed).

Multiple Party Instructions

You agree that any instruction to permit withdrawal only upon the signature or authorization of any two or more owners, Authorized Signers or agents is only binding on the accountholders, authorized signers and agents, and shall not be binding on us. You agree that we shall not be liable for any lack of signatures or authorization so long as the instructions contain the signature or have been authorized by at least one of the owners, Authorized Signers or their authorized agents.

Without limiting the foregoing, we may but are not required to accept such instructions from any one of you, or your Authorized Signers or agents if more than one on the account; in such case, any individual giving such instruction on his/her own behalf or on behalf of an entity he or she represents agrees, and undertakes to, notify all account owners and signers of such instructions and the conditions set forth herein.

Offset Rights

In addition to any other rights we may have, you agree that any deposits in or future deposits or other credits to any account with us or our affiliates in which any of you now or in the future have an interest is subject to offset without notice, except as may be required by law, to offset for any liabilities, fees and charges owed to us by any of you, or which we believe may be owed even if it is ultimately determined such is not owed to us. Such is applicable irrespective of any contribution to the account, source of funds in the account or any signature or other restrictions applicable to the account. In the event it is ultimately determined that such is not owed to us, we will reimburse you for the amount of the offset and will have no other liability to you related to the offset.

Without limiting any other rights hereunder or as provided by law, you agree that our right of offset extends to funds for which a deceased accountholder had a right of withdrawal immediately preceding such accountholder's death. If we offset against funds from a CD, an early withdrawal penalty may apply.

Payment in Full

An instrument tendered in full satisfaction of a disputed obligation owed to Washington Mutual Bank must be sent to the Bank's Legal Department at Washington Mutual, 9200 Oakdale Avenue, Chatsworth, CA 91311 or Washington Mutual, 8050 S.W. 10th St., Bldg. 4, Ste. 1000, Plantation, FL 33324, or 1201 Third Ave., Seattle, WA 98101. An instrument tendered in full satisfaction of a disputed obligation owed to Washington Mutual Bank fsb must be sent to the Bank's Legal Department at Washington Mutual, 1201 Third Avenue, Seattle, WA 98101. We may, except where prohibited by law, refuse any such payment.

Permanent Interest Orders

If you have an account offering Permanent Interest Order (P.I.O.) and you have not elected deferred interest payments where offered for such account and, you or any other account owner or signer may elect to have P.I.O. for such account, and such election (including delivery instructions) is binding on all of you. With a P.I.O., you have the option of directing payments of interest on your account as follows: to remain in your account, to be sent by check to you or a

third party you designate, or to be paid to another eligible account any of you has with us. (Certain accounts including, without limit, Retirement accounts and accounts assigned to an out-of-state branch may not be eligible to receive P.I.O.s from your account. Ask for details.) Such interest payments will be made at the time (monthly, quarterly, or annually, as applicable based on the type of account) when interest otherwise would have been credited to your account had you not elected a P.I.O. The depositor's CD need not be presented to the Bank in connection with any such payment, and the making of such payment shall release and discharge the Bank for all payments so made.

At our option, we may, but are not obligated to require the P.I.O. to be in writing, signed by any or all account holders or signers, if more than one, at our discretion. The depositor's election of a P.I.O. shall constitute the representation of the person making the election that, at the time of the election and the time of each P.I.O. payment, neither the funds nor evidence of account, including CD (as applicable), have been pledged, assigned or transferred, that no one other than the accountholder has any interest in such funds and evidence of account, including CD, and that the accountholder at the time of the election holds all rights to such funds and evidence of accounts including CD (as applicable), and that the person making the election is authorized to direct payment of interest in accordance with such election.

We reserve the right to deposit interest earned into the account and not forward interest as instructed for any reason including, without limit, if the amount of interest paid is below the then applicable threshold we set for P.I.O. or if your account is considered inactive or dormant.

P.O.D. and Totten Trust Accounts

P.O.D. (Payable on Death) and Totten Trust accounts are accounts which are payable on request to a depositor during the depositor's lifetime and upon the depositor's death to one or more designated beneficiaries or payees, or which are payable to two or more depositors during their lifetime and upon the death of all depositors to one or more designated beneficiaries or payees. Prior to the death of all depositors to the account, the Bank may pay funds in accordance with your *Master Account Agreement* and these *Account Disclosures and Regulations*.

When the Bank has received proof satisfactory to the Bank of death of all depositors to the account who, pursuant to the terms of the *Master Account Agreement*, were required to predecease the beneficiary or payee, the Bank may pay any funds remaining on deposit after payment of any amounts due Bank from depositor that accrue or are related to a transaction initiated by depositor prior to such depositor's death in the account to the beneficiary or payee. If there is more than one beneficiary or payee, the Bank shall not, unless the *Master Account Agreement* otherwise provides, pay to any one such beneficiary or payee more than that amount which is obtained by dividing the total of the funds on deposit in the account by the number of account beneficiaries or payees, but the Bank may require, at its option, joint instructions of, or payments to, all beneficiaries or payees.

Bank may, at its option require you to close your account and open a new one if you wish to change (add, delete or change allocation among) any death beneficiary and in such case, if bank no longer offers the account type which you currently have, you may be required to select a new account type, which may include different fees, interest and other features.

Powers of Attorney/Appointment and Payment to Agents

Any funds deposited in an account may be paid by the Bank to or upon the order of any agent or attorney-in-fact ("agent") of any depositor; provided however, the appointment of such agent must be

in a form satisfactory to us in our discretion. The Master Account Agreement or other document creating such agency may provide, in accordance with applicable law, that any such agent's powers to receive payments and make withdrawals from or request instructions regarding an account or service continue in spite of the incompetency of a depositor, in which event, the agent's powers to transact on or otherwise make changes with regard to an account or service on behalf of the depositor are not affected by the incompetency of the depositor.

Except as provided in this section, the authority of an agent to receive payments, transact on or otherwise make changes to an account terminates with the death or incompetency of the agent's principal; PROVIDED, that the Bank may, at its option, accept the agent's authority to act on the principal's behalf without question and Bank is not liable for any transactions or changes made to or by an agent for a deceased or incompetent depositor or where such appointment has been revoked unless the Bank had written notice provided in accordance with applicable law, that the agent's principal is deceased, has revoked the power, or is adjudicated totally or partially incapacitated by a court of competent jurisdiction, and we have had time to act on that notice. Unless prohibited by law, we may refuse, with or without cause, to honor powers of attorney which you grant to others.

You further agree to indemnify and hold the bank harmless from any losses, claims, expenses, or damages (including, among other things, court costs and attorney fees) incurred by the Bank acting in reliance upon the authority granted to the agent under the power of attorney and in accordance with the instructions of the agent. Bank, if acting in good faith upon any representation, direction, decision, or act of the agent, will not be liable to you, your estate, beneficiaries, or joint owners for those acts.

We also reserve the right to restrict the types and size of transactions we permit an agent to conduct on a case-by-case basis.

Protecting Your Account

Unfortunately, fraud can be a serious problem for anyone. Your role in preventing misuse of your account is extremely important. To help prevent fraud and protect your financial assets, we offer some recommendations to help control your risk.

- To help prevent identity theft, do not preprint your driver's license or Taxpayer Identification Number on your checks. Notify us immediately if any document containing your identification is lost, stolen or missing.
- If you receive suspicious e-mail that appears to come from Washington Mutual, please notify us immediately by forwarding the e-mail to spook@wamu.com. (Do not open any attachments or click on any links found in the suspicious e-mail.) Without limiting anything else in this agreement, if you believe you have provided personal or account information in response to a fraudulent e-mail or Web site, please contact Washington Mutual at the telephone number at the end of these *Account Disclosures and Regulations* and contact any other financial institutions with which you have accounts.
- If your new check order or bank card does not arrive within fourteen (14) Business Days, call us at the number shown at the end of these *Account Disclosures and Regulations*.
- Blank and cancelled checks, deposit and withdrawal slips and account statements contain information that can be used to obtain access to your accounts; store blank and cancelled checks, deposit and withdrawal slips and statements in a safe place. Destroy unused deposit slips and checks, receipts, cancelled checks and statements before discarding

them. Notify us at one of the numbers shown at the end of these *Account Disclosures and Regulations* if any of these items are lost, stolen or missing.

- Do not leave outgoing mail in an unlocked collection box or in your residence mail box. Deposit outgoing mail in a locked Postal Service mail deposit box.
- Write checks in ink and fill in all lines completely. Ensure all numbers are legible and begin on the far left line so additional numbers cannot be added. Do not give anyone a pre-signed blank check.
- Sign your checks clearly; illegible checks are easier to forge.
- Do not give anyone permission to sign your name on a check.
- Do not share any user or Personal Identification Number; do not give any account information to callers, even if they claim to be bank or law enforcement representatives.
- Use tamper resistant checks; if you do not order checks through us, ask your check vendor about tamper resistant checks.
- Keep accurate records of your transactions and reconcile your statements as soon as they are made available to you. Pick up your mail every day and if statements are held for you at one of our financial centers, pick them up immediately.
- When reviewing your statement, watch for:
 - o checks cashed out of sequence or made payable to cash
 - o use of a number of a previously cleared item
 - o balance discrepancies or unexpected fluctuations
- We encourage you to reconcile your statement yourself. If you have authorized someone to transact on your account and do not reconcile your account yourself, someone other than that person should reconcile your accounts.
- Contact us immediately if there are any discrepancies that you cannot explain on your statement(s) or if you do not receive a statement when expected.

If your account is or may be compromised, we may require or recommend that you open a new account; if you have third party preauthorized transfer to or from your account, you will need to notify the originator of your new account number.

If we recommend that you close your account and you choose not to do so, you release us from any liability of subsequent losses on the account due to fraud or any other criminal activity. In addition to any other rights we may have, we may deny a claim for monetary losses due to forged, altered or unauthorized transactions, items or signatures if you do not guard against improper access to your checks, statements deposit/withdrawal slips and account information.

Recording and Monitoring

You agree that we may tape record or monitor any telephone conversations you have with us regarding your account. However, we are not obligated to do so and may choose not to in our sole discretion. If we do record, we may, but are not obligated, to retain such recordings, except as may be required by law.

Records

We may, at our option, retain records in any form including, without limit, paper, film, fiche, digitized or other electronic medium. Unless prohibited by law, if we are unable to produce your *Master Account Agreement* or any other document relating to your account or service

or a copy of such Agreement or Document, our records, including without limit, electronic records, shall be deemed to be conclusive. Unless prohibited by law, if there is a discrepancy between your records and Bank's records, Bank's records shall be deemed to be conclusive.

Refusal/Termination/Restrictions on Accounts and Services

We reserve the right to refuse to open any account, provide any service, accept additional deposits to, or permit withdrawals from, an existing account, or to comply with any instruction or request you make. Your account or other relationship with us may be terminated by you or by us at any time and without previous notice, except where specifically set forth in the terms of such account. The Bank reserves the right to freeze or restrict accounts at any time, including by requiring written notice of an intended withdrawal from any account not less than seven (7) calendar days before the withdrawal is made, consistent with applicable law.

The Bank reserves the right to terminate the account for any reason. If the Bank elects to exercise its right to terminate the account, the Bank shall have the right to hold any funds in the account for a reasonable period of time, to protect against loss from any outstanding or returned items on the account or other losses that Bank may suffer related to the account or other account any of you may have or to any account holder or Authorized Signer. If you or we terminate the account or service hereunder, rights and obligations accruing prior to such termination shall survive. Without limiting the foregoing, you agree that your liability with respect to items cashed against or deposited to the account, or transactions posted to the account shall continue even if such item or transaction is disputed, returned, rejected or reversed after the account is terminated.

If you are a co-owner or Authorized Signer on an account, and your ownership or authority is terminated, you acknowledge and agree that your liability continues after such termination with respect to any claim accruing or transaction initiated prior to that date, regardless of when posted, and such termination does not affect your liability with respect to any other account or service, whether or not such other account or service is linked to the terminating account. If you are a co-owner of an account and another co-owner's interest is terminated, you agree that we may continue to honor items and transactions authorized by such person prior to the termination, even if presented or processed after termination.

Reporting Negative Information to Credit Reporting Agency

We may report information about your accounts to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

Returned Items

If you cash or deposit an item which is later returned unpaid or for which we receive notice in lieu of return or notice of intended return, we may charge your account for the full amount of the item, including any interest accrued on the amount of the item from the date of deposit or endorsement, and a Returned Deposited Item Fee as reflected in the *Statement of Fees* applicable to your account. We may also send the unpaid item back for collection a second time before notifying you, but we are not obliged to do so. Whether or not we send the item back for collection a second time (and whether or not paid the second time) you will be assessed a Returned Deposited Item Fee as reflected in the *Statement of Fees* applicable to your account. You waive notice of dishonor and protest and agree we will have no obligation to notify you of any item that is returned.

Without limiting the foregoing, if notice is given with or on a periodic statement from us, the parties agree that such is timely and

reasonable. Should a problem occur in collecting an unpaid item, you are responsible for any fees or charges incurred by the Bank when trying to obtain payment for you. In the event you have insufficient funds remaining in the account, each account holder agrees that we may exercise our right to off-set against any account in which any of you have an interest and may off-set against the account for any amounts due related to any other account of any of you. This may result in assessment of an early withdrawal penalty.

If any check deposited or cashed by any of you, whether or not against your account, is returned to us or we receive notice in lieu of return or notice of intended return by the bank on which it was drawn through normal or other check return or notice channels, we may accept the return and charge the item back against your account or any account you have with us without regard to whether the other bank returned the item before its midnight deadline without prior notice to you. Furthermore, if an item deposited in or cashed by any of you, whether or not against your account, has been paid by the bank on which it is drawn and that bank later returns the item to us claiming that it was altered, forged, or unauthorized or should not have been paid for any reason, we may at our discretion, charge the item against an account of any of you or place a hold on the amount of that item from any such account until the claim is finally resolved without prior notice to you and regardless of whether settlement with respect to such item is considered final.

Signature Verification and Notations

Checks written on, and other items debited from, your account may be processed mechanically based on information encoded on such items. Although we may visually review such checks and other items from time to time, reasonable commercial standards do not require us to do so. Unless we specifically agree to the contrary: any instructions to permit withdrawals only upon more than one signature do not apply to checks, electronic fund transfers or other debit/withdrawal requests. Such instruction is only binding on account holders and is of no concern to us; and we may follow the instruction of any one signer on the account.

If we do visually review any such check or other item, we may return it unpaid without liability to you if, in our opinion, it does not bear a signature matching the specimen signature (without limit on a *Master Account Agreement* or *Authorized Signer Agreement*) you have on file with us or it does not have the correct number of signers or is otherwise unacceptable to us. In addition, we may, but are not obligated to, pay or accept items bearing restrictions or notations (e.g., "Void after 6 months").

You agree if you write or accept an item with such restrictions or notations, such is between you and the payee, payer, endorser, or drawer, as the case may be, and such shall have no effect on us. You agree, however, that we will not be liable to you for honoring any check or other item bearing a signature which, in our sole opinion, matches your signature on file with us or any check bearing restrictions, conditions or notation, or, at our option, for rejecting, such item in accordance with such restriction, condition or notation. You also agree to indemnify and hold us harmless from any and all losses, claims, damages, liability, costs and expenses (except attorneys' fees) arising directly or indirectly out of (a) the misuse or unauthorized use of any facsimile signature or logo bearing reasonable similarity to the logo applicable to your business if account is used for business purposes used on a check or other item or (b) the payment, acceptance or rejection of any item with restrictions or notations, whether you are the payee, payer, endorser, drawer or otherwise.

Statements, Notices and Other Information

Unless prohibited by law, notices, including without limit, notices of change affecting your rights and obligations, statements and other information (referred to as Communications in this section) may be addressed and delivered or sent to any of you if more than one owner and/or Authorized Signer, and if sent, may be sent (by mail or electronically, if the addressee has signed up for such service) to any of you; such may be sent, either separately or as a part of another Communication we send to any of you. Subject to the limitations in this or other agreements, we have with you, all Communications to be sent will be mailed or electronically delivered to the current address (electronic address, if applicable) maintained for any of you on the Bank's records for your account or, at our option, any other of your accounts (except as limited by law) and such will be deemed received when mailed or sent electronically (as applicable) and will constitute notice to each of you for any purpose contemplated by law or these *Account Disclosures and Regulations*.

You may request and we may, at our option, require combined statements for two or more accounts. At our option, we may combine statements for any of your accounts. When statements are combined, whether or not at your request, unless you notify us to the contrary in writing, you agree that copies of such statements may be provided to any accountholder(s) or signer(s) or representative(s) of any other account whose information is included on such statements. At our option and with no additional notice, when there is no activity on an account during a cycle period, we may choose not to send you your account statement unless required by law. Any of you may also request orally or in writing that your mail be held for pick up. (This service is not available for IRAs, QRP's or CESAs). Such request, if approved by us, will be effective as to each of you. In such case, mail generally will be held at the branch of account as set forth herein but we reserve the right to send mail to the postal address of any of you as set forth herein.

If held, mail will, if approved by us, be held at the branch of account for at least thirty (30) calendar days and then, at our option, be destroyed or sent to you. Any mail returned by the post office or otherwise obtained by us may be held or at our option, be destroyed.

If Communications have been returned by the post office, if mailed, or electronic service provider, if sent electronically, future Communications, if printed, at our option, may be destroyed immediately (with a copy made available within a reasonable time upon request) or may be held at or delivered to a branch or office (all of which will be considered held mail) or sent to a forwarding address, if provided by the post office or electronic service provider, or otherwise obtained by us, and we may, but are not obligated to, send such Communications to any other address of any of you maintained on our records. In any case, marketing materials may be destroyed immediately. If delivery to My Message Center or e-mail is returned for any reason, except as otherwise required by law, we may attempt redelivery, but we are not required to attempt redelivery by such method or send such Communication to a forwarding e-mail address, even if such is provided by your service provider or otherwise obtained by us, and we may but are not required to send such Communications to any other address (mail or electronic) of any of you maintained in our records.

If Communications are held at your request or if Communications we have sent have been returned by the post office or electronic service provider, they will be deemed delivered to you when prepared (for held mail) or initially sent (for returned Communications).

Without limiting the foregoing, if Communications are returned by the post office or electronic service provider, future Communication may be prepared electronically with the information stored in our records and not reduced to writing or otherwise sent. In such case, such shall be treated as if such Communication were prepared and mailed on

the date such would have occurred had the address you provided been valid. The information which would have been provided will be made available within a reasonable time following a request from you for such information.

Sending Deposits to Us:

The addresses designated for deposits sent by mail are as follows: P.O. Box 1106, Northridge, CA 91328 for ID, OR, UT and WA accounts; P.O. Box 30810, Los Angeles, CA 90030 for AZ, CA, CO, NV and Telephone and Online Banking-West accounts, and P.O. Box 6868, Lake Worth, FL 33463 for CT, FL, GA, IL, NJ, NY, TX and Telephone and Online Banking-East accounts.

Sending Mail and Notices to Us:

Except as otherwise set forth herein, mail and notices directed to us should be sent to P.O. Box 1165, Northridge, CA 91328-1165 or such other address as we may specify from time to time. Unless prohibited by law, mail received at any other address, may, at our option, not be deemed received until received at an address specified by us for receipt of such correspondence. Mail sent to a branch or any other address not designated by us may be redirected to our mail processing center. We may, but will not be required to act upon instruction, notice, or order, by you or any third party, received via telephone, fax, voice mail or e-mail, unless expressly agreed by us in writing or as otherwise required by law.

Substitute Checks

If you request a copy of a check or if you receive checks in your monthly statement, it is likely that some of the items received will be substitute checks. Refer to the *Check 21/Expedited Recredit* section of this disclosure for more information on substitute checks.

Third Party Networks/Service Providers/Clearinghouses

We provide some services through access to a third party network service provider including without limit, ATM networks, automated and other clearinghouses and fund transfer systems. Such services are dependent upon the availability of the third party network and on conditions acceptable to us. We reserve the right to discontinue the service or provide the service through an alternative third party, and shall have no liability should such third party become unavailable. We do not warrant and shall not be responsible for services received by you from any third party network, except as required by law or otherwise specifically agreed by us in writing.

We are also a member of various clearinghouse organizations through which checks, other items and/or electronic transactions are presented to and exchanged with other financial institutions. Our membership and participation in any clearinghouse are conditioned upon our agreement with the rules of such clearinghouse and our acting in accordance with such rules. You agree to be subject to such rules, except as otherwise set forth herein or as prohibited by applicable law. We reserve the right to terminate or enter into other clearinghouse memberships.

Transfer/Assignment

All accounts are non-transferable except upon the books and records of the Bank. You may not grant, transfer or assign any of your rights to any account without prior written consent of the Bank. We may require surrender of the evidence of account, if any, property endorsed. We are not required to accept or recognize an attempted assignment of, or purported security interest in, any account or any interest in it.

The Bank may elect to waive any of these provisions, but any such waiver will only apply on that occasion. We may elect to delay enforcement of any of our rights without losing them. You waive diligence, demand, presentment, protest, and any notice of any kind, except as set forth herein.

Wire Transfer Services

The Bank offers both incoming (credits to your account) and outgoing (debits from your account) wire transfer services. All outgoing wire transfer payment orders (sometimes referred to herein as "Payment Order") are subject to this section and any additional documentation to implement these services as may be required by us for the services you select and we agree to provide. Fund transfers are subject to Article 4A of the Uniform Commercial Code, as adopted by the state whose law applies to the account which you are using for the funds transfer service ("Article 4A"). This section does not apply to transactions governed by the Electronic Funds Transfer Act, Federal Reserve Board Regulation E, or transfers by check, draft, or other written item.

The applicable wire transfer service fees are reflected in the *Statement of Fees* applicable to your account. For the purposes of these services, "Domestic" refers to the 50 states of the United States, "International" and "Foreign" refer to foreign countries and parts of the United States that are not considered states (e.g., U.S. Territories). You also agree to pay any costs assessed by third parties for processing any special request related to a Payment Order.

Intermediary and receiving banks, including the beneficiary's bank, may assess a fee for processing a Payment Order. If transfer is in foreign currency, Bank may set the rate to convert funds remitted in U.S. Dollars to local currency, at its discretion, which may be different than the conversion rate charged to Bank for purchasing funds. Alternatively the intermediary or receiving bank may apply a currency conversion fee to convert wire transfers remitted in U.S. Dollars to convert funds to the local currency (unless funds are remitted to a U.S. Dollar account). Any of these fees may be debited from the amount of the wire and all or a portion of these fees may be paid by the intermediary or receiving bank back to Washington Mutual. Cancellation of a Payment Order involving any currency other than U.S. Dollars is subject to any rate exchange loss as determined by Bank. Customer agrees to sell any cancelled Payment Order to Bank at the then current applicable foreign currency rate.

1. Sending Wire Transfer Payment Orders

- (A) **Processing Requests and Cutoff Times** - We have Cutoff Times for processing Payment Orders, and we process Payment Orders on a same-day basis until such Cutoff Times. Cutoff Times may vary depending on the particular office of the Bank and the type of Payment Order and may be changed by us at any time without notice. We will provide you our current Cutoff Times upon request. We treat Payment Orders we receive after a Cutoff Time as received on the next Business Day.
- (B) **Amendment or Cancellation of Requests** - You have no right to amend or cancel a Payment Order after we receive it. If you ask us to do this, we may make a reasonable effort to act on your request prior to the time we execute such Payment Order. However, we are not liable to you if, for any reason, a Payment Order is not amended or cancelled.
- (C) **Inconsistent Names and Account Numbers** - Bank and any other party executing or receiving Bank's Payment Order, including the beneficiary's bank, may rely on the number in

the Payment Order that identifies the beneficiary and on any numbers that identify the beneficiary's bank and any intermediate financial institutions identified in the Payment Order, even if such numbers do not correspond to the name of the beneficiary or the financial institution. Bank and any other receiving financial institution have no obligation to determine whether a name and number identify the same person or institution. Customer acknowledges that payment of a Payment Order initiated by Customer might be made by the beneficiary's bank on the basis of an identifying or bank account number even if it identifies a person different from the named beneficiary.

- (D) **Transmission of Requests** - You authorize us to select any intermediary bank, funds transfer system, or means of transmittal to send your Payment Order. Our selection may differ from that indicated in your instructions. We shall not be responsible for any acts or omissions of any funds transfer system, any Federal Reserve Bank, any intermediary bank or any recipient of any Payment Order in any way related to your Payment Order, or any cancellation or amendment thereof, and no such entity or person shall be deemed to be our agent.
- (E) **Rejection of Requests** - The Bank may reject for any reason a Payment Order, including, without limitation, any Payment Order that (a) we believe contains incorrect, incomplete, ambiguous or missing information, (b) involves funds that are subject to lien, security interest, hold, dispute or legal process prohibiting transfer or withdrawal, or (c) would violate any applicable law or regulation. We will notify you of any rejection of a Payment Order from your account orally, electronically or in writing, at our option. We are not liable to you for the rejection or obligated to pay interest for the period before you receive notice of the rejection.
- (F) **Notices of Your Payment Orders** - We ordinarily notify you about executed Payment Orders by listing them on your account statement or, at our option, a customer advice.
- (G) **Interest Compensation** - If we are obligated to pay for a loss of interest that results from our error or delay regarding your Payment Order, we will calculate the interest as follows: With an account subject to analysis and Earnings Credits, we adjust the account under our account analysis procedures to recredit Earnings Credits for the period involved. With a non-analyzed account, we use a rate equal to the average of the Federal Funds rates set by the Federal Reserve Bank of New York.

2. Payment Order Initiation and Authorized Representatives

A Payment Order may be initiated in the manner and by the means agreed to by the Bank by any person who is an owner or Authorized Signer on the account from which the Payment Order is to be made, provided we receive confirmation of identification satisfactory to us in our discretion. In such case, no additional confirmation of authorization is required. In addition, you may designate to Bank, in the form required by us, those individuals authorized to instruct us regarding wire transfer services including, without limitation, appointing individuals authorized to initiate Payment Orders, select advice methods, select confirmation methods, and give any or all authorizations and instructions that may be requested by us (referred to as your "Authorized Representatives").

We may rely on any such authorization until it has been revoked by you in writing. We shall have a reasonable time to act on any such revocation. You shall have sole responsibility for selecting Authorized

Representatives who may authorize or confirm Payment Orders and for their supervision, management and control of all such Authorized Representatives and their identifiers and passwords, if any. Bank may, but shall not be required to, assign each Authorized Representative a password(s) or other identifier for use with Payment Order requests.

If an Authorized Representative has authority to both initiate and confirm a Payment Order, you acknowledge that such authority increases the risk that a Payment Order will not be consistent with your wishes and you will be liable for such Payment Order. If you choose to appoint an Authorized Representative(s), we advise you not to waive confirmation of your Payment Orders and you acknowledge and agree that not using confirmation procedures substantially increases your risk of an unauthorized transaction. If you, however, choose to waive confirmation, you agree to be liable for all outgoing Payment Orders, except those Payment Orders where:

- (1) you are able to conclusively prove that the unauthorized transfer could not have been prevented by the use of confirmation procedures;
- (2) we are unable to produce any evidence that the unauthorized transfer could have been prevented by the use of confirmation procedures; and
- (3) you are not otherwise liable for the transfer under this Agreement, or applicable law.

3. Security Procedures

You agree to use the Security Procedures offered by us to authenticate, initiate, confirm, amend or request a Payment Order as set forth herein. You acknowledge that Bank's Security Procedures, including, without limitation, passwords and other identifiers issued to you or your Authorized Representatives are highly confidential. You agree to establish and maintain procedures to ensure the confidentiality of all passwords and identifiers of Authorized Representatives and agree to promptly notify Bank when any Security Procedure has become compromised or any Authorized Representative is no longer authorized to act on your behalf. Bank may act in its complete discretion on the oral, written (including facsimile or other electronic requests) instructions from any person who has been reasonably identified by us in accordance with these procedures. You acknowledge and agree that the Bank's Security Procedures are designed to verify the authenticity of Payment Orders and not to detect errors in the content of any such Payment Order.

You agree that Bank's Security Procedures are commercially reasonable and agree to be bound by any Payment Order sent in your name that is processed by us in accordance with these Security Procedures, whether or not authorized.

4. Incoming Wire Transfers

We may receive wire transfers directly to your account, through a funds transfer system or through some other communications system. We may reject an incoming funds transfer for any reason. We are not obligated to notify you if we reject any incoming wire transfer to your account.

5. Notice of Incoming Wire Transfer

We will notify you that we have accepted an incoming wire transfer to your account in accordance with applicable law. In addition, you may select an advice method in the form required by the Bank. If you select telephonic advices, you will designate person(s) to be contacted and telephone numbers to be used for advice purposes. Bank shall not be required to make more than one attempt to reach designated location by telephone. If Bank is able to reach the Customer's

designated location, but not your designated Authorized Representative, Bank may leave a message containing the information to be conveyed. If you select advices by facsimile ("fax"), you shall exercise extreme care in maintaining security in the receipt of fax advices. You acknowledge that the information to be received by fax may include confidential information, including, without limitation, names, amounts, phone numbers, originating account information, and the text of incoming wires. You further acknowledge that you alone assume full responsibility for maintenance of your internal security procedures to keep such information confidential. You agree to indemnify, defend and hold Bank harmless against any and all claims, demands, expenses, liabilities and damages, including attorney fees at trial and on any appeal or petition for review, incurred by Bank arising directly or indirectly from the transmission by fax of an incoming wire transfer advice.

6. Standing and Recurring Payment Orders

You or any of your Authorized Representatives may initiate a standing or recurring Payment Order on the forms required by Bank. A standing Payment Order is an outgoing Payment Order by which you or your Authorized Representatives, at pre-determined times, transfer funds in the same amount or balance calculation from the same accounts at Bank to the same account at Bank or other financial institution for the same beneficiary. A recurring Payment Order is an outgoing wire transfer by which you or your Authorized Representatives from time to time transfer funds from the same account at Bank to the same account at the Bank or other financial institution for the same beneficiary, with the amount to be determined by you or your Authorized Representative at the time of the transfer. You may terminate a standing or recurring Payment Order at any time upon written notice to the Bank's designated representatives. Bank shall have a reasonable time to act on any such notice.

7. Reverse Wire Requests (Fedwire Drawdowns)

If requested by you or your Authorized Representative, you authorize Bank to debit your account upon receipt of a Fedwire drawdown request from another financial institution and to send such funds to the requesting financial institution. Each request will be processed on the Business Day received if received within a reasonable time for Bank to determine whether your account has sufficient funds and obtain access to the Federal Reserve network prior to the close of business. Bank may reject any drawdown request in excess of the available balance in the account or for any other reason in Bank's discretion. Your authorization for a drawdown request shall remain in effect until you give the Bank written notice of the cancellation. Bank shall have a reasonable time to act upon any such cancellation.

8. Errors and Questions about Your Payment Orders

You must notify us at once if you think a Payment Order or incoming funds transfer shown on your account statement or customer advice is incorrect. Notwithstanding anything else in this Agreement providing a longer time, you must send us a written notice describing any discrepancy no later than ten (10) calendar days after the date you receive the first notice or statement on which the problem or error appears. If you fail to notify us within this ten (10) calendar day period, the Bank is not liable for any loss of interest because of an unauthorized or erroneous Payment Order or an erroneous funds transfer.

Withdrawals

Withdrawals of funds on deposit shall only be made upon written order to us, or other written, oral or other instruction received from the depositor, Authorized Signer or that depositor's legal representative, in a form satisfactory to us, unless otherwise specifically provided by

law or these Account Disclosures and Regulations. Without limiting the foregoing, if your account is used for business purposes, you authorize us, but we are not obligated to, pay any item drawn on your account, which, rather than bearing a signature, bears a logo reasonably similar to a logo used by your business.

The Bank is authorized to honor such order or instruction even if made payable to such person, to cash or for deposit to their personal account, to pay an obligation owed by them or other account in which they may have an interest. We have no duty to investigate or question withdrawals or application of funds. Ordinarily, withdrawals of available funds may be made in any amount at any time, except that where a depositor has agreed that no withdrawal shall be made from an account until after a specified time, no withdrawal may be made from such an account until expiration of such time except with the consent of the Bank and upon payment of such penalties as may be required by applicable law or regulations or by the Bank.

Without limiting the foregoing, the Bank reserves the right to require at least seven (7) calendar day written notice of an intended withdrawal for any account, in which event, no deposit shall be due or payable until the required notice of intention to withdraw the same shall have been personally given by the depositor; PROVIDED that the Bank may, at its option, pay any deposit or deposits before the expiration of such notice. In addition, the Bank reserves the right, in its sole discretion and effective immediately, to discontinue or limit the practice of withdrawals by check, cash or otherwise, with or without notice including, without limit, withdrawals from any office which is not your branch of account, or due to the limited amount of currency available at a particular office, when our customer information system reflects no available balance, other information is unavailable or when the account or any other account owned or accessed by any of you has been, or is suspected of being, subject to abuse.

In the event the Bank provides notice, such notice shall also advise you that the Bank reserves the right, after the date specified in the notice, not to make payments on any account, check or draft drawn on such account except for the purpose of closing the account, if applicable. We may refuse to honor checks drawn on your account if they are directly presented to us by someone we cannot identify to our satisfaction.

We may also require non-customers to provide fingerprints, endorsement guarantee or other assurance or documentation at our option, in connection with the transaction. If you provide your account number to a third party to complete a transaction such as, without limit, a purchase of goods or services by telephone or computer based communication, you authorize us, but we are not required, to honor any draft or other withdrawal request from such a third party. We may refuse to honor demand drafts without cause or prior notice even if we have honored these items previously.

We may debit your account for a check or other item on the day it is deemed to be presented to us or accepted by us for payment by electronic or other means or on the day we receive notice that the check or item has been deposited for collection at another financial institution, whichever is earlier or anytime thereafter, at our option. We may determine the balance at any time between notice and receipt of the check, transfer or withdrawal request. We are required to determine your balance only once during this time period. If an item drawn on your account is presented for payment or otherwise accepted by us on a weekend, holiday or after 2:00 p.m. on a Business Day, such item may be treated by us as received the next Business Day, except where prohibited by law. The Bank assumes no responsibility for loss or delay occasioned by use of a deposit form bearing a magnetically encoded account number or deposit amount different from the account on which the check was to be drawn or the amount in which it was drawn. We reserve the right to charge

FUNDS AVAILABILITY

(This section does not apply to Second Chance Checking accounts.)

Your Ability to Withdraw Funds

Our policy is generally to make funds from your cash and check deposits available to you the Business Day on which your deposit is deemed received (except deposits received at the ATM or by mail). Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written, and for point of purchase, point of sale and pre-authorized debits.

If we do not make all of your check or cash deposit available on the day your deposit is deemed received, the first \$100 of your total deposits will be available the day your deposit is deemed received.

- **Electronic Transfers:** Electronic direct deposits (initiated through another financial institution) will be available on the effective date of the deposit. If you initiate electronic transfers from External Accounts (accounts with other financial institutions and/or any internal accounts designated as External Accounts at the time of transfer) to your eligible account with us ("External Transfers"), the entire amount of such deposit may not be available until the fourth (4th) business day after the effective date of the transfer.
- **ATMs, Night Boxes and Express Boxes:** The remainder of your total deposits of cash and one or more checks at an ATM generally will be available the Business Day following the day your deposits are deemed received. Generally: If you make a deposit before 4:00 p.m. local time at an ATM in the Pacific or Mountain Time Zone or 3:00 p.m. local time at an ATM in the Eastern or Central Time Zone, before 8:30 a.m. local time at a Night Depository (also referred to as "after-hours depository") or before 12:00 noon local time at an Express Box on a Business Day that we are open, we will consider that day to be the day of your deposit. Times may vary by location and will be posted on affected ATMs, Night Depositories or Express Boxes; in no event will times be earlier than 12:00 noon at an ATM, 8:30 a.m. at a Night Depository or 12:00 noon at an Express Box. Deposits received after these times, or on a non-Business Day or a day we are not open, will be considered received on the next Business Day we are open.
- **Mail:** Funds from deposits received by mail will generally be available no later than the second Business Day after the Business Day the deposit is deemed received. If you mail funds to us for deposit, funds received before 2:00 p.m. local time are deemed deposited on the Business Day the funds are received by us. Funds received after 2:00 p.m. local time are deemed received on the next Business Day.

For determining the availability of your deposits, every day is a Business Day, except Saturdays, Sundays and federal holidays.

Notwithstanding the above, we may place or extend a hold on your deposit as described below (see *Longer Delays May Apply to Check Deposits and Special Rules for New Accounts* sections), even if you are not notified at the time of your deposit that a hold is being placed, or if we have expressly told you we are not placing a hold at the time of the deposit.

Longer Delays May Apply to Check Deposits

In some cases, we will not make all of the funds that you deposit by check available to you as set forth above. If we are not going to make all of the funds from your deposit available as set forth above, except foreign items, generally we will notify the person making the deposit when the funds will be available at the time of deposit if such is made directly with an employee of the Bank. If the deposit is not made directly to one of our employees, or if we take this action after the person making the deposit has left the premises, we will send you the notice by the following Business Day after the deposit is deemed received. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

- **Existing Customers:** Unless a longer delay applies as described below, depending on the type of check that you deposit, funds (in excess of the first \$100) may not be available until the fifth Business Day after the day we deem your deposit received.
- **Existing and New Customers:** In addition, funds deposited by check may be delayed for a longer period under the following circumstances: We believe a check you deposit will not be paid. You deposit checks totaling more than \$5,000 on any one day. You deposit foreign items. You redeposit a check that has been returned unpaid. You have overdrawn your account (or any account any of you have with us) repeatedly in the last six months. There is an emergency, such as failure of computer or communications equipment.
If we delay the availability of your deposit for one of these reasons, your deposit (except for the first \$100) will generally be available no later than the 11th Business Day after the day your deposit is deemed received (except for foreign items).
- **New Customers:** See *Special Rules for New Accounts* below for additional delays which may apply.

Holds on Other Funds (Existing and New Customers)

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be held as if you had deposited the items subject to our hold policies.

Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first thirty (30) calendar days your account is open. Funds from electronic direct deposits to your account will be available on the effective date of the deposit. Funds from deposits of cash, wire transfers and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state and local government checks also will be available on the day your deposit is deemed received if the deposit meets certain conditions (for example, the checks must be payable to you and the deposit must be made in person to one of our employees). If your deposit of these checks (other than U.S. Treasury checks) is not made in person to one of our employees (for example, if it is made at an ATM), the first \$5,000 will not be available until the second Business Day after the Business Day your deposit is deemed received. The excess over \$5,000 of these checks and deposits of any other checks will generally be available on the seventh Business Day after the day your deposit is deemed received. Funds deposited by check may be delayed for a longer period under the circumstances described above in the *Longer Delays May Apply to Check Deposits* section. The first \$100 of your total deposits, however, will be available to you the Business Day your

ELECTRONIC FUND TRANSFER AGREEMENT AND DISCLOSURES

By signing the contract of deposit (*Master Account Agreement*) or by using an account provided by the "Bank", unless the depositor specifies otherwise, the depositor requests and authorizes the Bank to deposit, withdraw, and transfer funds to and from the depositor's accounts pursuant to electronic, telephone, or automated instructions from the depositor, including but not limited to electronic transactions initiated by use of a check ("check electronication"), by use of our online banking service, or automated teller machine (ATM), and to issue the depositor Personal Identification Numbers (PINs) for use in making such deposits, withdrawals, and transfers and in opening new accounts under the *Master Account Agreement*.

If the depositor, when opening an account or thereafter, requests bill pay or automated clearing house or other automatic payment service with the depositor's account, such request shall authorize the Bank to withdraw sums from the depositor's account as the depositor requests by telephonic, electronic, oral, or automatic instruction as permitted for such service from time to time and to pay the withdrawn sums as the depositor may designate, provided that the authorization must be given in form satisfactory to the Bank.

These disclosures concern the use of your Washington Mutual Debit MasterCard®, Gold Debit MasterCard®, Platinum Debit MasterCard®, Washington Mutual Visa® Check Card, Visa® Gold Check Card, and Platinum Visa® Check Card (jointly referred to as "Debit Card") your Washington Mutual ATM Card, check electronication, telephonic and preauthorized and other electronic fund transfers (excluding wire transfers covered by Section 4A of the Uniform Commercial Code, and ticketless transactions and use of Cash Dispenser Machines, which are used to complete in person transactions performed at our Financial Centers). Certain transactions (as described below) may be made only if the ATM or point-of-sale (POS) terminal bears a logo for one of the networks in which the Bank is a participant ("Participant Networks"). The reverse side of your Washington Mutual ATM Card or Debit Card indicates the logos of Participating Networks at the time such card was issued to you, or you may call us for a current list of Participating Networks.

Definition of a Consumer Account. For the purposes of this document, the following is the definition of a "Consumer Account":

If the accountholder is a natural person, and the account is used primarily for personal, family, or household purposes, the account will be considered a "Consumer Account." ALL ACCOUNTS THAT ARE NOT CONSUMER ACCOUNTS ARE CONSIDERED "NON-CONSUMER ACCOUNTS".

1. Services

Services described below may not be available at all times or in all areas.

- (A) **Card Options.** By opening an account, you are requesting the type of the ATM Card or Debit Card noted for each account, if any, except described below. If we have noted that a Debit Card is available for your account, you may select an ATM Card instead. If we have noted that either a Debit Card or ATM Card is available, you may choose to receive no Card at all. If you already have a Card to which your new account can be linked, we may either issue you a new Card as noted for such account or link your account to

- your existing card, at our option, unless you instruct otherwise.
- (B) **Deposits, Withdrawals and Cash Advances.** You may use your Washington Mutual ATM Card or Debit Card and your Personal Identification Number (PIN) to withdraw funds from accounts linked to your card at Washington Mutual ATMs (as defined in the *Statement of Fees* and in the *Charges* section below) at most ATMs displaying a logo of a Participating Network (as described above). At non-Washington Mutual ATMs offering such service, you may withdraw funds from your primary checking or primary savings account, as designated in our records. Your Debit Card also may be used to obtain cash at financial institutions participating in Visa or MasterCard, provided such financial institution participates in Visa or MasterCard, respectively, debit card processing.
- You may use your Washington Mutual ATM Card or Debit Card and your PIN to make deposits at most Washington Mutual ATMs to accounts linked to your card; however Washington Mutual ATMs in some states may not accept deposits to your account. If multiple accounts are linked to the Card, you may designate the account to and from which to deposit and withdraw funds if the ATM has such capability. Otherwise, the withdrawal will be made from and deposit will be made to the account designated in our records for your card as your primary account. ATMs may not be available during routine maintenance periods. At some locations, business hours may restrict access.
- (C) **Transfers with Card/PIN.** You may use your Washington Mutual ATM Card or Debit Card and your PIN to transfer funds from one Bank account (any eligible checking, money market and savings type accounts) to another of these accounts attached to your card. These transfers can be made at Washington Mutual ATMs and at ATMs which display a logo of a Participating Network and which have the transfer capability provided, however, at non-Washington Mutual ATMs offering such service, you may transfer funds between your primary checking and primary saving account as designated in our records. You may also transfer funds between eligible accounts through our electronic banking service or by calling us at the number shown at the end of these *Account Disclosures and Regulations*. (CDs, Passbook Savings accounts, Statement Savings accounts for which monthly statements are not provided, *School Savings*[®] accounts and Retirement and CESA plans are not eligible.) At our option, we may permit such transfer between an account with one bank in the Washington Mutual family of companies and an account at another bank in the Washington Mutual family of companies.
- You may electronically deposit funds to your primary account linked to a Washington Mutual ATM Card or Debit Card (as set forth in our records for your card) from another financial institution where permitted by the ATM, telephone banking or Internet based banking operator and the financial institution holding the account from which the debit will occur.
- You may withdraw funds from your primary checking account linked to a Washington Mutual ATM Card or Debit Card (as set forth in our records for your card) by using the card or card number and PIN to be electronically deposited to an account at another financial institution where permitted by the ATM, telephone banking or Internet based banking operator and the financial institution holding the account to

- which the deposit will occur. Any such withdrawal will count towards your daily ATM withdrawal limit disclosed herein and will be subject to the fee for withdrawal at a non-Washington Mutual ATM as set forth in the *Statement of Fees* applicable to your Bank account, whether such withdrawal occurs at an ATM, or through a telephone or Internet banking service.
- (D) **Purchases and other POS Transactions.** You may use your ATM Card or Debit Card and your PIN for point of sale (POS) purchases from your primary checking account at participating terminals/merchants. This service is not available for savings accounts or money market accounts. You also may use your Debit Card to make POS purchases at merchants and other locations where the Visa or MasterCard, respectively, symbol appears, provided such merchant participates in debit card processing. If your Card is linked to more than one checking account, the transaction will be debited from the account designated as your primary account. If you are entitled to a refund for any reason for goods and services obtained with your card, you agree to accept credit to your account instead of a cash refund.
- You may NOT place a stop payment on any purchase described above, POS Transaction, or Cash Advance. (See below for information on stop payment of preauthorized transactions.)
- (E) **Direct Deposit.** Upon instruction of your employer, the Treasury Department, financial institutions or other third parties, the Bank will accept direct deposits of your paycheck or of Federal payments, such as Social Security, or other recurring payments.
- Credit for ACH (automated clearinghouse) transfers and Direct Deposits is provisional until the receiving financial institution obtains the final settlement. If final settlement does not occur, the originator of the transfer is not deemed to have made payment to the beneficiary and the beneficiary's bank is entitled to a refund of the provisional credit. If we give you provisional credit for an ACH transfer, but do not receive final payment, you become obligated to us for the full amount without prior notice or demand.
- We are not required to give you a separate notice of our receipt of an ACH transfer. If we accept ACH credits to your account, you will receive notice of the credit on your next regular periodic statement, if any. You may also contact us at one of the telephone numbers shown at the end of these disclosures to determine if a transfer has been credited to your account or if your subscribe, through our online banking service. Direct Deposit made to or from your account may be affected by a change in the account status, number or location (e.g. transfer to another office). If any of these changes are planned, please speak to us in advance about the impact the change may have on your direct deposit. In such case, we may, but are not required to, provide the new information to the party with whom you have established such Direct Deposit to facilitate continuation of these transactions.
- (F) **Telephone Access.** You or any Authorized Signer may make transfers and withdrawals by telephone from your eligible checking, money market or savings type accounts, subject to any limitations described elsewhere in these *Account Disclosures and Regulations*. If your line of credit offers direct advances, you may obtain draws against your line of credit by telephone in accordance with any limitations

- (G) **Transfers.** You may request Transfers to be made immediately, by telephone, ATM, online banking or otherwise described herein or in the agreement for such service, if allowed for your type of account, and such will be reflected in your balance immediately. Notwithstanding the above, if the transfer is made after our Transfer Cutoff time, the transferred funds may not be considered part of the balance for certain purposes, including for purposes of processing certain transactions until the morning of the next calendar day. This means that such funds may not be available for paying or authorizing certain transactions including, without limit, check inclearings or point of sale or point of purchase authorizations. Call us at the numbers shown at the end of these *Account Disclosures and Regulations* for our current Transfer Cutoff times.
- (H) **Personal Online Banking/Personal Bill Pay™, Business Online Banking/Business Bill Pay™.** Customers who elect to enroll in Personal Online Banking/Personal Bill Pay™ or Business Online Banking/Business Bill Pay™ will receive additional Terms and Conditions pertaining to electronic banking separately. If you have previously enrolled in one or more of these services, and you add an account eligible for such service(s), that account will automatically be linked to the service. All consumer checking accounts are eligible for our Personal Bill Pay™ service; checking accounts, savings accounts, money market accounts and CDs other than School Savings® and accounts in a Washington Mutual retirement or CESA plan are eligible for Personal Online Banking. You may make transfers and withdrawals to and from your account by using our Personal Online Banking service. (See Section K. below.)
- (I) **Check Electronification Transactions.** Your checks may be used to initiate certain electronic fund withdrawals from your account. Participating merchants or others will scan information from your check and process the transaction electronically, not through the check collection process. Examples of check electronification transactions include, but are not limited to: Point of Purchase (referred to as "POP") transactions are made in person by you using a blank check. Re-presented check (referred to as "RCK") transactions are made by the merchant using a returned check that was returned for insufficient or uncollected funds.
- (J) **Other Automated Transactions.** At our option, we may permit you to initiate transfers from your account directly or through use of your Debit Card, to your account at any other financial institution or to pay eligible third parties, such as a merchant for goods or services on a one time or recurring basis. Preauthorized transfers may be affected by a change in account status, number or location (e.g., transfer to another office.) If you authorized such transactions and we change your account or your card number we may (but are not required to) provide the new number (and if a card, the expiration date) to the party with whom you have established such recurring transactions to facilitate continuation of those recurring transactions.
- (K) **Electronic Transfers via Online Banking Service.** If permitted for your type of account, you may use our online banking service (after you enroll) to make electronic fund transfers to and from your account by authorizing us to initiate transfers between eligible accounts you have with us ("Internal

Account") to and from accounts you have with another financial institution or with us that are not eligible for internal transfers, for example, because they are serviced on another servicing system or are established in our records in another state or pricing region or accounts at other financial institutions ("External Accounts"). If you designate an Internal Account as an External Account, any transfers to and from this account may be treated as External Transfers.

A transfer initiated by you through our online banking service between Internal Accounts is herein referred to as an "Internal Transfer"; transfers initiated to or from an External Account are referred to as an "External Transfer." Internal Transfers and External Transfers are referred to collectively as "Transfers." External Accounts must be registered with us through our Online Banking Service. The External Account must be a transaction account at a U.S. financial institution. If you register an External Account for transfers to and from your account, and for Internal Transfers that we deem in our discretion to be completed as an External Transfer, we may use the Automated Clearing House (ACH) network to process the transfer. The ACH network is an automated payment system that moves funds between U.S. financial institutions for the purpose of debiting and crediting funds to and from designated accounts, and subject to the National Automated Clearinghouse Association (NACHA) rules.

By requesting transfers to and from your eligible account and/or registering an External Account, you authorize us to initiate the credit and debit entries through the ACH network. You also authorize us to take steps to verify the External Account by a process known as "micro deposit," such as, where we make two small deposits (less than one dollar) and matching withdrawal(s) from the External Account so that we may verify ownership of the External Account by asking you to confirm these amounts. You also authorize us to make adjustments and corrections, as we deem necessary. You may revoke your authorization by deleting the External Account(s) online or by calling 800.788.7000.

A transfer request may not be processed if there are not sufficient available funds in the account from which it is to be made, at the time that the transfer is to be processed. If you provide incorrect or insufficient information to complete the transfer, including but not limited to an incorrect number of an External Account, your transfer may not be completed. In the event you provide an incorrect number for an External Account, we may delete the External Account and you must re-designate an External Account in order to initiate the transfer. We may, but are not required, to notify you if a transfer is not completed and/or an External Account is deleted based on incorrect or insufficient information. At our discretion, we may limit the number of External Accounts designated by you.

If the transfer is not entered by you by our established deadline, or on a day on which ACH transfers are not initiated, it may not be initiated until the next External Transfer Initiation Day as defined below. We may debit the funds for any transfer at the time that the transfer is entered by you, or for repeat transfers, at the time the scheduled transfer is to be initiated. Transferred funds to and from your eligible accounts may not actually be received and deemed effective ("effective date"), for several business days. The transferred funds deposited to your account are subject to our Funds Availability policy, above. ACH transfers are

generally initiated by us Sunday through Friday) excluding the day before a Federal holiday (External Transfer Initiation Day). There may be additional delays if the payment system for your External Transfer is unavailable. Our Internal and External Transfer Cutoff Times may vary from time to time without notice and may vary based on the state to which the transfer or Deposit Account is assigned in our records. Call us at 1-800-788-7000 for our current Transfer Cutoff Times.

When you use our Online Banking Service to schedule any Transfer Date from your eligible account, the Transfer Date will be scheduled as required by our online banking services at the time of the Transfer. The Transfer Date will appear on the online banking website at the time you initiate the transfer request.

If Transfers credited to your eligible accounts are returned or rejected, we may debit your account in the amount of the return or rejected transfer, or any account any of you have with us. We may also adjust or correct any Transfers to or from your account.

Unless expressly provided otherwise, all Transfers are subject to the terms and conditions of your Online Banking Service with us.

- (I) **Personal Identification Numbers (PIN) and Cards.** Certain of the above services requires a PIN. If you forget your PIN, please visit one of our financial centers and request another one. If you decide you do not want to use your ATM or Debit Card(s), destroy them at once by cutting them in half and notify the bank immediately. We may also, at our option, permit you to initiate transfers to and from eligible accounts through our online banking service.
- (M) **Emergency Cash Advance Service:** Customers who have lost or had their Washington Mutual Debit MasterCard® stolen may request an Emergency Cash Advance from the account linked to their Debit MasterCard® (subject to funds availability and transfer limitations) when the customer is more than 100 miles from the mailing address listed for the account. Prior to making the request the customer must have requested and been eligible for a replacement Debit MasterCard®. Emergency Cash Advances are limited to 3 requests in any calendar year.
- (N) **Emergency Card Replacement Service:** Customers who have lost or had their Washington Mutual Debit MasterCard® stolen may request that a temporary Debit MasterCard® be sent to them provided that the account to which their Debit MasterCard® is linked has been open for at least 30 days, has a positive balance at the time of the request and there are no restraints on the account. Emergency Card Replacements are limited to 3 requests in any calendar year. The temporary Debit MasterCard® will not have the capacity to perform transactions which require the use of a Personal Identification Number (PIN).

2. Limitations on Transactions

- (A) **Limited Transaction Accounts.** Notwithstanding anything to the contrary herein, if your account is a limited transaction account as described in these *Account Disclosures and Regulations*, you agree not to initiate transactions in excess of the limitations established for your account.
- (B) **Deposits, Withdrawals, POS and POP Transactions.** We may limit the frequency of deposits, withdrawals, Point-of-Sale

(POS) or Point-of-Purchase (POP) transactions for security purposes and may change the limits from time to time without notice, except as may be required by law. Without limiting the foregoing, there are daily dollar limits that apply to ATM withdrawals, POS transactions, retail purchases and Visa and MasterCard cash advances (if applicable) based on the following card types and are subject to the available funds in your account.

Card Type	ATM Withdrawals, Cash Back and Negotiables Daily Limit	POS, Purchases and Other Transactions Daily Limit
ATM	\$300	\$500
Debit MasterCard® Visa® Check Card	\$500	\$2,500
Gold Debit MasterCard® Visa® Gold Check Card	\$500	\$3,000
Platinum Debit MasterCard® Platinum Visa® Check Card	\$500	\$5,000

"ATM Withdrawals, Cash Back and Negotiables" includes ATM withdrawals and the cash back portion of any Point of Sale transaction and purchases of negotiable items such as cashiers checks and money orders.

"POS, Purchases and Other Transactions" includes PIN and other point of sale transactions (excluding the cash back portion of any point of sale transaction and purchases of negotiable items), withdrawals when transferred to an account at another financial institution through a network interbank exchange service or other payments using your card number through a non-Washington Mutual system (for example at an ATM, by phone or online). This limit also includes Cash Advances, which are not available on an ATM Card and cannot exceed either \$500 total or 9 advances per day.

Limits for WaMoola for Schools™ cards are the same as the comparable card type of non-WaMoola for Schools cards.

You may request, and we, at our option, may agree, to higher limits. Withdrawals, POS transactions, retail purchases, or cash advances made at terminals not owned by the Bank and affiliates may be subject to lower limits, other restrictions and fees imposed by third party terminal owners/operators. In addition for security reasons, there may be times we impose other limitations. All withdrawals, cash advances, POS, POP transactions (including those at Visa and MasterCard locations) and other debit transactions processed electronically are subject to the availability of funds in your account, plus any applicable overdraft protection product or service linked to your account. Funds being reserved for authorized but unposted purchases may not be used to pay checks, other debits or withdrawals. If the Bank pays a withdrawal, cash advance, POS, POP or other debit transaction that exceeds the balance of funds in your checking account (it is expressly acknowledged and understood that the Bank is under no obligation to do so), you will be charged our current Overdraft Charge. This Overdraft Charge shall not apply when such a payment is made by means of an automatic advance from an overdraft line of credit, or automatic transfer authorization (overdraft transfer service). An Overdraft Transfer Fee will be assessed if payment is made by means of an automatic transfer authorization; an Advance Fee will be assessed if payment is made by means of an advance from an overdraft line of credit if set forth in the *Statement of Fees* applicable to your

account. Subject to any limitations under applicable law, regulations, clearinghouse or other rule, a merchant may reinitiate a POP transaction if returned for insufficient or uncollected funds. A Non-Sufficient Funds Charge may be incurred each time the transaction is returned.

- (C) **ATM Deposits.** Deposits (either cash or check) made at an ATM before 4:00 p.m. local time in the Pacific or Mountain Time Zone (3:00 p.m. local time at an ATM in the Eastern or Central Time Zone) Monday through Friday (excluding federal holidays) on a day we are open are considered made that day. Deposits (either cash or check) made after 4:00 p.m. local time in the Pacific or Mountain Time Zone (3:00 p.m. local time at an ATM in the Eastern or Central Time Zone) Monday through Friday or Saturday, Sunday, federal holidays or any day we are not open are considered made the next Business Day. Deposits subject to this section are available as described in the *Funds Availability* section of these *Account Disclosures and Regulations* and any addenda thereto. For determining the availability of your ATM deposits, every day is a Business Day, except Saturday, Sunday, and federal holidays.
- (D) **Direct Deposits.** There are no limitations on the number of direct deposits the Bank will accept.
- (E) **Transfer Limitations.** Some services are not available at all terminals or for all accounts. We may set Transfer limits at our discretion. For transfers established through our online banking service, the maximum dollar limit of any External Transfer from your account is currently set at \$10,000 per transfer. The maximum dollar limit of any Transfer to an account scheduled through the online service is currently set at \$500,000.00 per transfer. We reserve the right to change these limits at any time without notice except as may be required by law. Ask us for our current limits. The maximum number of scheduled Internal Transfers per customer is 20 unless otherwise determined by us, from time to time, which limit may be changed without notice, except as may be required by law.
- (F) Bank reserves the right, but is not obligated to, reject any Internet gaming, gambling, lottery or similar transaction. Without limiting the foregoing, Bank reserves the right, but is not obligated to, reject any transaction it reasonably believes is unlawful or attempted in connection with any transaction it reasonably believes is unlawful. Display of the logo on the Card or by a merchant/vendor does not mean the transaction is legal. If any said transaction is not rejected, we are authorized to debit your account; we will not be liable if you engage in any illegal transaction.
- (G) Without limiting any of the rights we have, Bank reserves the right, but is not obligated, to block an ATM card or Debit Card if transactions are being made outside of the customer's usual geographic location or are not otherwise consistent with accountholder's usual card usage, or upon receipt of legal process or other dispute with respect to the account.

3. Right to Receive Documentation of Transfers

- (A) **Terminal Transactions.** You will normally be furnished with a receipt at the time you make any transaction to or from your account at any Bank owned or operated ATM or ATM showing a logo of any Participating Network (as described above), although many ATMs now offer customers the option to select not to get a receipt. If a receipt is not available, you should be notified prior to completing the transaction and should be given the option to cancel at that time.

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(B) **Direct Deposits.** If you have arranged to have direct deposits made to your account at least once every sixty (60) calendar days from the same person or company, you can call at one of the numbers shown at the end of these *Account Disclosures and Regulations* to find out whether or not your deposit has been received.

- (C) **Check Electronification Transactions.** The check you use for a POP or other transaction should be blank and not previously voided or negotiated or used in any prior POP Transaction. After it is scanned, the merchant should mark it void and return it to you. You should sign and receive a copy of your authorization along with information relating to the merchant and transaction. Merchants who may initiate a RCK transaction must provide notice to you, before accepting your check, that your returned check may be collected electronically if the check is returned for insufficient or uncollected funds. POP, RCK and other check electronification transactions will appear in the electronic payments section of your bank statement. The original checks relating to those entries will not be returned with your statement. The Merchant should retain the original check relating to a RCK entry for ninety (90) calendar days. After ninety (90) calendar days the merchant may destroy the original check, but should still retain a copy. You may request the original or copy of the check relating to a RCK entry directly from the merchant or through us.
- (D) **Other Transactions.** The merchant is required to furnish you with a receipt at the time you make any POS purchase with your Washington Mutual ATM Card or Debit Card, or obtain a cash advance at a financial institution participating in Visa or MasterCard, respectively.
- (E) **Periodic Statements.** You will get a monthly account statement unless there are no transfers in a particular month. In any case, you will get the statement at least quarterly.

- 4. **If Your Washington Mutual ATM Card, Debit MasterCard®, Visa® Check Card, Gold Debit MasterCard®, Visa® Gold Check Card, Platinum Debit MasterCard®, Platinum Visa® Check Card, (including WaMoola for Schools™ cards) or PIN is Lost, Stolen or Misused; and Your Liability.** Tell us at once if you believe your Washington Mutual ATM Card, Debit Card or PIN has been lost, stolen or used without your permission. If you believe your Washington Mutual ATM Card, Debit Card or PIN has been lost, stolen or used without your permission, or that someone has or may transfer money from your account, or has drawn or may draw against your line of credit without your permission, call us at one of the numbers shown at the end of these *Account Disclosures and Regulations*, or write to us at Washington Mutual, ATM/Debit Card Services, P.O. Box 1154, Northridge, CA 91328. The best way to notify us is by telephone. Except, as set forth below, you could lose all the money in your account, plus your maximum line of credit and transfer authorization. Also, if your statement shows transfers that you did not make, or if you believe your receipt is wrong, tell us at once.

The following paragraphs (A) and (B) apply only to Consumer Accounts:

- (A) If you do NOT tell us within sixty (60) calendar days after the first statement reflecting the suspect transaction or suspected error was mailed to you, you may not get back any money you lost after the sixty (60) calendar days (including credit advances on a line of credit or transfer made in accordance with a transfer authorization) if we can prove that we could have stopped someone from taking your

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money or using your Washington Mutual ATM Card, Debit Card or PIN without your permission if you had told us.

- (B) If you tell us within two Business Days, you can lose no more than \$50 if someone used your ATM Card, Debit Card or PIN without your permission. If you do not tell us within two Business Days after you learn of the loss or theft of your ATM Card, or Debit Card or possible misuse of your PIN, and we can prove that we could have stopped someone from using your ATM Card, Debit Card or PIN without your permission if you had told us, you could lose as much as \$500.
- (C) If a good reason (such as a long trip or hospitalization) kept you from telling us, we will extend the time periods. The provisions of the *Customer Responsibilities and Limit On Time To Assert Claims* section of these *Account Disclosures and Regulations* and Section 12 of this *Electronic Fund Transfer Agreement and Disclosure* apply to claims hereunder, including without limit claims under this Paragraph Number 4 and Paragraphs Number 8 and 9 of this section, except to the extent of any conflict; then this section applies. You agree to use any service, accounts, checks, cards (of any kind), Personal Identification Numbers (PINs) and any other instrument or card related to your account for lawful purposes only. Without limiting the foregoing, you agree that such may not be used for or otherwise in connection with any illegal transaction or activity. The Bank reserves the right to reject any transaction it reasonably believes to be unlawful or attempted in connection with any transaction it reasonably believes is unlawful.

5. Our Business Days

Our Business Days are Monday through Friday. Federal holidays are not included.

6. Charges

Unless otherwise indicated in the *Statement of Fees* applicable to your account or service or a separate agreement for your account or service, you will not be charged for deposits, withdrawals, balance inquiries, or funds transfers at ATMs owned or operated by Washington Mutual Bank or Washington Mutual Bank fsb and bearing the name "Washington Mutual," Washington Mutual Bank, or Washington Mutual Bank fsb (jointly "Washington Mutual ATMs").

The fee charged by the Bank for each withdrawal, balance inquiry, or funds transfer at any non-Washington Mutual ATM (or initiated through a non-Washington Mutual telephone or Internet based service through the ATM network) and any other applicable fees are disclosed in the *Statement of Fees* or other agreement applicable to your account or service, which may differ for domestic and international ATM transactions.

"Domestic" refers to the 50 states of the United States.

"International" refers to foreign countries and parts of the United States that are not considered states. For the purposes of international ATM transactions, a domestic ATM that is operated by a non-U.S. operator is considered international rather than domestic. There may also be other fees (surcharges) imposed by the operator of non-Washington Mutual ATMs and the national, regional or local network used to offer the transactions, which should be disclosed at the time of your transaction. The Bank does not charge a fee for POS or POP purchases. However, you may be charged a fee by the merchant. If you conduct a transaction in foreign currency, see the *Foreign Transactions* section for details about exchange rates and related charges.

Any fees applicable to online banking, bill pay or other

electronic services will be set forth in the *Statement of Fees* applicable to your account or other documentation you receive at the time you establish or request this service. The monthly fee for these services, if any, will begin the month you request such service, and will apply each month thereafter whether or not a covered transaction actually occurs in any monthly cycle unless you are advised otherwise in writing.

There is no charge for direct deposits. There is also no charge (other than the finance and other charges applicable to all borrowings) for the telephonic draw feature on line of credit accounts offering such service unless otherwise indicated in the *Credit Agreement*. There is an *Advance Fee* for automatic advances on your line of credit to your deposit account if described in the *Statement of Fees* applicable to your account or in the *Credit Agreement*.

If you request a mini-statement at a terminal offering such service, you shall be assessed a fee as set forth in the *Statement of Fees* applicable to your account.

If your account is a Limited Transaction Account and you exceed the number of transactions authorized for such account, you will be charged an *Excess Activity Fee* as set forth in the *Statement of Fees* applicable to your account.

7. Information to Third Parties

Refer to information in the *Disclosure of Information to Third Parties* section of these *Account Disclosures and Regulations*.

8. In Case of Errors or Inquiries About Your Electronic Transfers

If you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt, call us at one of the numbers shown at the end of these *Account Disclosures and Regulations* as soon as you can, or write us at Washington Mutual, ATM/Check Card Services, P.O. Box 1154, Northridge, CA 91328. Without limiting the foregoing, if the error relates to a check electronic entry (POP, RCK or other) on a Consumer Account (as defined above) and you want us to promptly credit your account, we must receive a written affidavit from you on our form no later than fifteen (15) calendar days after we send you the FIRST statement on which the error appears. For all other errors, we must hear from you no later than sixty (60) calendar days after we send you the FIRST statement on which the problem or error appeared. For Non-Consumer Accounts, the provisions of Paragraph 12 of this *Electronic Fund Transfer Agreement and Disclosures*, including, without limitations, the notification requirements contained therein apply. Be sure to provide the following information:

- Tell us your name and account number, if any.
- Describe the error or the transfer you are unsure about, (including the date) and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) Business Days. If your account is a Consumer Account (as defined above) and if you deliver the required written affidavit concerning a check electronic problem within fifteen (15) calendar days after we send you the first statement on which the problem appears, we will provisionally credit the amount of the entry to your account. If you do not submit the affidavit as required,

your notice of error will be subject to the following rules applicable to the sixty (60) calendar day notice requirement.

The following paragraphs (A) and (B) apply only to Consumer Accounts (defined above) meeting the above sixty (60) day notice requirement. If you meet the above conditions:

- (A) We will determine the results of our investigation within ten (10) Business Days (or twenty (20) Business Days if the transaction occurs while your account is a new account as defined in the *Funds Availability* section of these *Account Disclosures and Regulations* and any addenda thereto) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) calendar days (or ninety (90) calendar days for a transaction on a new account or foreign initiated or POS transaction) to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within ten (10) Business Days, or twenty (20) Business Days in the case of a transaction on a new account, for the amount you think is in error. You will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) Business Days, we may not credit your account.
- (B) We will tell you the results within three (3) Business Days after we finish our investigation. If we determine there was an error, we will send you a written explanation. If we decide that there was no error, we will debit your account for any amounts credited while we conducted our investigation, unless we are prohibited by law from doing so. You may ask for copies of the documents that we used in our investigation.

If you have a dispute about goods or services you purchased from a merchant with your Washington Mutual ATM, Debit Card or electronic check, you should attempt to settle the dispute directly with the merchant before filing a claim.

Zero Liability: Notwithstanding Section 8 above, if you are a consumer Debit MasterCard® customer, you will not be liable for the unauthorized use of your card for purchases, and at ATMs, if (1) you exercised reasonable care in safeguarding your card from risk of loss or theft; (2) you have not reported two or more incidents of unauthorized use of your card in the immediately preceding 12 months; and (3) your account is in good standing at the time the unauthorized transaction is posted to your account and when you make your claim. This feature is in addition to any protections afforded to you under applicable law. This feature does not apply to cards issued to non-U.S. cardholders or for business or other non-personal accounts. It also does not apply if your card and Personal Identification Number ("PIN") are used for transactions conducted at a Washington Mutual Financial Center. The term "unauthorized use" means the use of our card by a person other than yourself who does not have actual, implied or apparent authority for such use, and from which you receive no benefit. For this purpose, the term "good standing" means that your account is open and not overdrawn, there has been no fraud by the account holder, or breach of any agreement with us. This feature does not modify or amend the requirements for prompt notification to Washington Mutual of the unauthorized use of your card or PIN, as provided in the *Electronic Fund Transfer Agreement* and

Disclosures section of this booklet. If you fail to notify us of an unauthorized card transaction within 60 days of your statement that first shows such unauthorized use, as set forth in that section, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

9. Our Liability for Failure to Make Transfers

If we do not complete a transfer to or from your Consumer Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions as noted below, for Consumer and Non-Consumer Accounts, in addition to any other limits or liability, we will not be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer.
- If anyone refuses to honor your ATM Card, Debit MasterCard®, Visa® Check Card or check.
- If the transfer would cause you to exceed the limit on your line of credit, or other available overdraft protection.
- If the terminal where you are making the transfer does not have enough cash.
- If the terminal was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you. Without limiting the foregoing for Non-Consumer Accounts:
 - We will not be liable for failure to make transfers to or from or in the wrong amount in connection with Non-Consumer Accounts.
 - We will not be liable for, and you agree to indemnify and hold us harmless from, any and all losses, damages, costs, claims and expenses which may occur in connection with any authorized or unauthorized use of any service herein including, without limit, use of any card, PIN or other access device.

10. Rights Regarding Preauthorized Transfers

- (A) **Right to Stop Payment and Procedure for Doing So.** If you have told us in advance to make regular payments out of your account or if you anticipate receiving an automatic transfer into your account, you can stop any of these payments. Here's how: Call us at one of the numbers shown at the end of these *Account Disclosures and Regulations* or write us at Washington Mutual, ACH Department, P.O. Box 1090, Northridge, CA 91328-1090, in time for us to receive your request three (3) Business Days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) calendar days after you call. The charge for a stop Payment Order is disclosed in the *Statement of Fees* applicable to your account.
- (B) **Claims.** The provisions of the *Customer Responsibilities and Limit on Time to Assert Claims* section of these *Account Disclosures and Regulations* apply to claims hereunder, including without limit claims under Paragraph Number 4 and Paragraphs Number 8 and 9 of this *Electronic Fund Transfer Agreement* and *Disclosures* sections except to the

extent of any conflict, then this section applies.
The following paragraphs (C) and (D) apply only to Consumer Accounts (defined above) meeting the above requirements:

- (C) **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, ten (10) calendar days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
- (D) **Liability for Failure to Stop Payment of Preauthorized Transfer.** If you order us to stop one of these payments three (3) Business Days or more before the transfer is scheduled from your Consumer Account, and we do not do so, we will be liable for your losses or damages.

11. Stop Payment on Check Electronification Transactions

You may stop electronic transactions initiated by use of a check (including POP, RCK and other check electronification transactions) by calling us at one of the numbers shown at the end of these *Account Disclosures and Regulations* or write us at Washington Mutual, ACH Department, P.O. Box 1090, Northridge, CA 91328-1090; however, you must do so in time for us to have a reasonable opportunity to act on the stop Payment Order before acting on the electronic transaction.

12. Non-Consumer Accounts

The error resolution and liability provisions applicable to Consumers and Consumer Accounts at the end of or with any periodic statements or other documents you may receive from us, if any, do not apply to Non-Consumer Accounts (e.g., business or non-personal accounts). The owners of Non-Consumer Accounts must notify us immediately if they discover any unauthorized transactions or errors. If such is not an automated clearinghouse transaction, we must receive written notice of and, at our request, an affidavit regarding the problem in a form satisfactory to us within a reasonable time (not to exceed fourteen (14) calendar days) from the date of discovery or their receipt of the first statement, report or notice reflecting the problem, whichever occurs first. If such is an automated clearinghouse transaction, we must receive notice, written or verbal, by the established cutoff time on the Business Day following the posting date of the transaction.

If you don't notify us within these timeframes, you will be deemed to have authorized the transaction. You will be liable for all losses, costs or expenses that you incur as a result of the use of your card, PIN, access device or other electronic transaction, unless the laws governing your account require a lesser liability.

Under no circumstances will we be liable for any special or consequential damages involving such accounts. The owners of such accounts assume sole responsibility for any unauthorized use of the account's cards, and/or PIN, and/or any other access device or other electronic transaction, and shall indemnify, defend, and hold the Bank harmless from all claims, actions, proceedings, losses and damages related to or arising out of any unauthorized transaction.

The Check Clearing for the 21st Century Act (known as "Check 21"), a federal law effective on October 28, 2004, was enacted to increase the efficiency of the U.S. check clearing system. Today this system relies heavily on the physical transport of checks between financial institutions. Check 21 permits banks to replace an original check with a paper reproduction, or "substitute check", and to accept substitute checks as they would the originals. Substitute checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Because of Check 21, some items may clear faster than before. As always, Washington Mutual encourages customers to monitor their account activity and authorize transactions only against available funds. If you request a copy of a check or if you receive checks in your monthly statements, it is likely that some of the items received will be substitute checks. By federal law, the substitute check is the legal equivalent of the original for any purpose. You should retain substitute checks in the same manner as original checks.

Substitute Checks and Your Rights

This section describes rights you have when you receive substitute checks from us. These rights do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions. In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees). The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of the refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law. If you use this procedure, and your account is used for personal, family or household purposes, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account. If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at one of the telephone numbers listed at the end of these *Account Disclosures and Regulations*. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);